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CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
410 AVENUE OF THE PALMS,
BLDG. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

GAVIN NEWSOM, MAYOR

TREASURE ISLAND DEVELOPMENT AUTHORITY MEETING AGENDA

January 10, 2007 - 1:30 P.M.

SF
T71
#1
1/10/07

Room 400, City Hall
1 Dr. Carlton B. Goodlett Place

Gavin Newsom, Mayor

DIRECTORS

Claudine Cheng, *President*
Jesse Blout
Jared Blumenfeld
John Elberling, *C.F.O./Secretary*
Matthew Franklin
Marcia Rosen
Owen Stephens
Supervisor Chris Daly (*Ex-Officio*)

Mirian Saez, Director of Island Operations
Peter Summerville, Commission Secretary

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ORDER OF BUSINESS

1. Call to Order and Roll Call
2. Report by Director of Island Operations (*Discussion Item*)
3. Report by Mayor's Office of Base Reuse and Development (*Discussion Item*)
4. Communications (*Discussion Item*)
5. Report by the Treasure Island/Yerba Buena Island Citizen's Advisory Board (*Discussion Item*)
6. Ongoing Business by Directors (*Discussion Item*)
7. General Public Comment (*Discussion Item*) ****In addition to General Public Comment (Item #7), Public Comment will be held during each item on the agenda.****

RECYCLED PAPER

8. **CONSENT AGENDA**

All matters listed hereunder constitute a Consent Agenda, are considered to be routine by the Treasure Island Development Authority Board and will be acted upon by a single vote of the Authority Board. There will be no separate discussion of these items unless a member of the Authority Board so requests, in which event the matter shall be removed from the Consent Agenda and considered as a separate item.

a.) Approving the Minutes of the December 13, 2006 Regular Meeting (*Action Item*)

b.) Resolution Authorizing the Director of Island Operations to Execute a Grant Agreement with the Municipal Transportation Agency Regarding the Expenditure and Administration of Grant Funds for the Treasure Island Ferry Terminal Project (*Action Item*)

c.) Resolution Authorizing the Director of Island Operations to Extend The Term of the Month-to-Month Use Permit with the San Francisco Museum and Historical Society for Use of a Portion of Building 449 on a Month-to-Month Basis through November 30, 2007, and to Assess a Monthly Permit Fee Beginning July 1, 2007 and to Delete Inappropriate Insurance Provisions (*Action Item*)

d.) Resolution Authorizing the Director of Island Operations to Execute the Sixth Amendment to the Sublease with the San Francisco Little League to Extend the Term for Use of the Little League Field on a Month to Month Basis through November 30, 2007 and to Establish Base Rent of One Dollar for the Term of the Extension (*Action Item*)

e.) Resolution Approving and Authorizing the Director of Island Operations to Execute a Use Permit, Including Waiver of Standard Rental Fees, with the Treasure Island Job Corps Center (Job Corps), for the Use of the Chapel for the Purpose of Holding a Memorial Service (*Action Item*)

9. Resolution Authorizing the Director of Island Operations To Execute a Fifth Amendment To the Sublease With the Delancey Street Foundation To Retroactively Extend the Term on a Month-to-Month Basis Through November 30, 2007 and To Asses a Percentage Rent for 2004 and 2005 (*Action Item*)
Presenter: Marc McDonald, Treasure Island Development Authority

10. Resolution Authorizing the Director of Island Operations to Execute the Sublease with Pro Transport-1, LLC for Use of Approximately 6,959 Square Feet in Building 201 on a Month-to-Month Basis Through November 30, 2007 (*Action Item*)
Presenter: Marc McDonald, Treasure Island Development Authority

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11. Presentation on Selected Course of Action for Navy Environmental Remediation Activities in the Treasure Island Housing Area (*Discussion Item*)
Presenter: United States Navy

12. Presentation on Actions Taken in Conjunction with Selected Course of Action for Navy Environmental Remediation Activities in the Treasure Island Housing Area (*Discussion Item*)
Presenter: The John Stewart Company

13. Update by the San Francisco Police Department on On-Island Activities (*Discussion Item*)
Presenter: Captain Denis O'Leary, San Francisco Police Department

14. Update on Implementation of Recommendations Made by the Office of the Controller's Audit of the Authority (*Discussion Item*)
Presenter: Mirian Saez, Director of Island Operations

15. Presentation on Condition of Viable Commercial Leasing Areas on Treasure Island (*Discussion Item*)
Presenter: Marc McDonald, Treasure Island Development Authority

16. Presentation on Policy and Fee Schedule for Special Event Venue Rentals (*Discussion Item*)
Presenter: Lori Mazzola, Treasure Island Development Authority

17. POSSIBLE CLOSED SESSION
If approved by the TIDA Board, this Closed Session item will take place for approximately 30 minutes at the end of the meeting

a. Public Comment on all items relating to closed session

b. Vote on whether to hold closed session to confer with real property negotiators. *(Action item)*

c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Persons negotiating for the Authority: Michael Cohen, Jack Sylvan, Mirian Saez
Persons negotiating with the Authority: United States Navy, Treasure Island Community Development, LLC
Property: Former Naval Station Treasure Island
Under Negotiation:
Price: _____ Terms of payment: _____ Both: __X__

d. Reconvene in open session *(Action item)*
i. Possible report on action taken in closed session under Agenda Item 15 (Government Code section 54957.1 (a) (1) and San Francisco Administrative Code Section 67.12)

ii. Vote to elect whether to disclose any or all discussions held in closed session *(San Francisco Administrative Code Section 67.12).*

18. Discussion of Future Agenda Items by Directors (*Discussion Item*)

19. Adjourn

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, 410 Avenue of the Palms, Building 1, Treasure Island, and the Government Information Center at the Main Library, 100 Larkin Street. Public comment is taken on each item on the agenda.

Disability Access

The Treasure Island Development Authority holds its regular meetings at San Francisco City Hall. City Hall is accessible to persons using wheelchairs and others with disabilities. Assistive listening devices are available upon request. Agendas are available in large print. Materials in alternative formats and/or American Sign Language interpreters will be made available upon request. Please make your request for alternative format or other accommodations to the Mayor's Office on Disability 554-6789 (V), 554 6799 (TTY) **at least 72 hours** prior to the meeting to help ensure availability.

The nearest accessible BART station is Civic Center Plaza at the intersection of Market, Grove, and Hyde Streets. The accessible MUNI Metro lines are the J, K, L, M, and N (Civic Center Station or Van Ness Avenue Station). MUNI bus lines serving the area are the 47 Van Ness, 9 San Bruno, and the 6, 7, 71 Haight/ Noriega. Accessible curbside parking is available on 1 Dr. Carlton B. Goodlett Place and Grove Street. For more information about MUNI accessible services, call 923-6142.

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The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing devices.

Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Code 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Avenue, Suite 3900, San Francisco, CA 94102, telephone (415) 581-2300, fax (415) 581-2317 and web site http://www.sfgov.org/ethics/.

KNOW YOUR RIGHTS UNDER THE SUNSHINE ORDINANCE
(Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact: Administrator, Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102-4689; by phone at 415 554 7724; by fax at 415 554 7854; or by email at sotf@sfgov.org.

Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from the SOTF or by printing Chapter 67 of the San Francisco Administrative Code on the Internet, http://www.sfgov.org/sunshine/

TIDA Project Office
FY 06-07 Expenditure Report

	06-07 Budget	Actuals to Date	Balance	Percent Expended
001 SALARIES - TOTAL	132,490	78,564	55,926	57.79%
013 MANDATORY FRINGE BENEFITS - TOTAL	510	1,888	-1,378	370.25%
02100 TRAVEL-BUDGET	5,000	0	5,000	0.00%
02200 TRAINING - BUDGET	8,000	0	8,000	0.00%
02300 EMPLOYEE FIELD EXPENSES-BUDGET	500	0	500	0.00%
02302 LOCAL FIELD EXP	0	82	-82	/0
02401 MEMBERSHIP FEES	1,200	450	750	37.50%
02500 ENTERTAINMENT & PROMOTION BUDGET	1,000	0	1,000	0.00%
02700 PROFESSIONAL & SPECIALIZED SVCS-BUDGET	2,970,722	0	2,970,722	0.00%
02702 ENGINEERING SERVICES	0	11,921	-11,921	/0
02711 SOCIAL SERVICES CONTRACTS	0	69,622	-69,622	/0
02722 FINANCIAL SERVICES	0	29,536	-29,536	/0
02799 OTHER PROFESSIONAL SERVICES	0	107,681	-107,681	/0
02800 MAINT SVCS-BUILDINGS & IMPVTS-BUDGET	881,000	0	881,000	0.00%
02801 SCAVENGER SERVICES	0	737	-737	/0
02802 JANITORIAL SERVICES	0	1,550	-1,550	/0
02803 PEST CONTROL	0	1,500	-1,500	/0
02805 GROUNDS MAINTENANCE	0	307,255	-307,255	/0
02900 MAINT SVCS-EQUIPMENT-BUDGET	1,000	0	1,000	0.00%
02931 OFFICE EQUIP MAINT	0	2,681	-2,681	/0
03100 RENTS & LEASES-EQUIPMENT-BUDGET	15,000	0	15,000	0.00%
03131 OFFICE MACHINE RENTAL	0	1,255	-1,255	/0
03199 OTHER EQUIPMENT RENTALS	0	2,946	-2,946	/0
03241 TELEPHONE CHARGES - NON WORK ORDER	0	56	-56	/0
03500 OTHER CURRENT EXPENSES - BUDGET	657,500	0	657,500	0.00%
03521 FREIGHT/DELIVERY	0	352	-352	/0
03552 PRINTING	0	394	-394	/0
03561 POSTAGE	0	2,000	-2,000	/0
03571 SUBSCRIPTIONS	0	226	-226	/0
03581 ADVERTISING	0	183	-183	/0
03599 OTHER CURRENT EXPENSES	0	171	-171	/0
05100 INSURANCE - BUDGET	50,000	0	50,000	0.00%

Data as of Close of Business 01/04/2007

05111 INSURANCE EXPENSE	0	1,234	-1,234	/0
05200 TAXES; LICENSES & PERMITS-BUDGET	211,000	0	211,000	0.00%
05241 PAYMENTS TO OTHER GOVT	0	34,101	-34,101	/0
021 NON PERSONNEL SERVICES - TOTAL	**4,801,922**	**575,934**	**4,225,988**	11.99%
04000 MATERIALS & SUPPLIES-BUDGET	10,000	0	10,000	0.00%
04298 OTHER CONSTRUCTION MATERIALS	0	-552	552	/0
04699 FOOD	0	246	-246	/0
04921 DATA PROCESSING SUPPLIES	0	1,969	-1,969	/0
04950 OFFICE SUPPLIES-CITYWIDE CONTRAC	0	1,373	-1,373	/0
04999 OTHER MATERIALS & SUPPLIES	0	185	-185	/0
040 MATERIALS & SUPPLIES - TOTAL	**10,000**	**3,222**	**6,778**	32.22%
081C5 IS-TIS-ISD SERVICES	12,351	2,458	9,893	19.90%
081CA GF-ADM-GENERAL(AAO)	1,060,505	55,000	1,005,505	5.19%
081CB GF-RISK MANAGEMENT SERVICES (AAO)	5,000	5,000	0	100.00%
081CT GF-CITY ATTORNEY-LEGAL SERVICES	900,000	38,591	861,409	4.29%
081ED GF-BUS & ECN DEV	200,000	0	200,000	0.00%
081ET GF-TIS-TELEPHONE(AAO)	13,750	4,408	9,342	32.06%
081FD GF-FIRE	4,277,325	0	4,277,325	0.00%
081H2 GF-HR-MGMT TRAINING	1,500	0	1,500	0.00%
081PA IS-PURCH-CENTRAL SHOPS-AUTO MAINT	3,000	0	3,000	0.00%
081PF IS-PURCH-CENTRAL SHOPS-FUEL STOCK	2,000	792	1,208	39.60%
081PR IS-PURCH-REPRODUCTION	5,224	789	4,435	15.10%
081PS GF-POLICE SECURITY	765,000	0	765,000	0.00%
081UH GF-PUC-HETCH HETCHY	1,100,000	181,328	918,672	16.48%
081WB SR-DPW-BUILDING REPAIR	900,000	399,061	500,939	44.34%
081WE SR-DPW-ENGINEERING	65,000	0	65,000	0.00%
081WM SR-DPW-CONSTRUCTION MGMT	54,278	148	54,130	0.27%
081 SERVICES OF OTHER DEPTS - TOTAL	**9,364,933**	**687,575**	**8,677,358**	7.34%
086 EXPENDITURE RECOVERY	**-1,800,000**	**-450,000**	**-1,350,000**	25.00%
Uses	**12,509,855**	**895,183**	**11,614,672**	7.16%

TIDA Project Office
FY 06-07 Revenue Report

	06-07 Budget	Actuals to Date	Balance	Percent Realized
39530 REVENUE SHARING RENTAL FEES	0	166,031	166,031	/0
39535 COMMON AREAS MAINTENANCE FEES	0	357,501	357,501	/0
39899 OTHER CITY PROPERTY RENTALS	8,665,855	3,892,879	-4,772,976	44.92%
79999 OTHER NON-OPERATING REVENUE	3,844,000	0	-3,844,000	0.00%
Sources	12,509,855	4,416,410	-8,093,445	35.30%

POLICE DEPARTMENT
CITY AND COUNTY OF SAN FRANCISCO
THOMAS J. CAHILL HALL OF JUSTICE
850 BRYANT STREET
SAN FRANCISCO, CALIFORNIA 94103-4603

HEATHER J. FONG
CHIEF OF POLICE

January 3, 2007

ENTERED IN MSPS Files JAN 2007 TREASURE ISLAND DEVELOPMENT AUTHORITY

Ms. Mirian Saez
Executive Director
Treasure Island Development Authority
410 Avenue of the Palms
Treasure Island
SF., CA 94130

SENT VIA FACSIMILE TO (415) 274-0299

Reference: Treasure Island Crime Statistics – December 2006

Dear Ms. Saez:

There were fifteen incident reports filed with the San Francisco Police Department about occurrences on Treasure Island and Yerba Buena Island during the month of December 2006. Please see Attachment A for specific information.

Please Contact me at (415) 553-9154 or at Denis.O'Leary@sfgov.org if you have any questions.

Sincerely,

Denis F. O'Leary
Captain – Southern Station

By: _____
Officer Louis Glaser
Southern Station
(415) 553-7959

ATTACHMENT A

OCC. DATE	REP. DATE	LOCATION	TYPE	COMMENTS	CASE NUMBER
12/2/2006	12/2/2006	300 blk Macalla	Suspicious Occurrence		061286667
12/6/2006	12/6/2006	Gateview/Mason	Aided Case/Sick Person		061297915
12/11/2006	12/11/2006	1200 blk Northpoint Dr.	Terrorist Threats	Suspect Unk	061321263
10/24-12/13	12/13/2006	1100 blk Ozbourn Ct.	Burglary/Residence	Suspect Unk	061323344
7/8/2006	12/13/2006		Recovered Plate		061324988
12/01-12/14	12/15/2006	600 blk H St.	Theft From building	Suspect Unk	061328190
12/15/2006	12/15/2006	1200 blk Gateview Ct.	Burglary/Apartment	Suspect Unk	061331369
12/16/2006	12/16/2006	1200 blk Northpoint Dr.	Burglary/Apartment	Suspect Unk	061334993
12/17/2006	12/17/2006	Av of the Palms/9th St.	Theft from Unlocked Vehicle	Suspect Unk	061335612
12/24-12/27	12/28/2006	200 blk 4th St.	Burglary/Non-residential	Suspect Unk	061371020
12/27/2006	12/27/2006	Clipper Cove	Boat Grounding		061369382
12/28/2006	12/28/2006	Unk	Sexual Assault	Suspect Unk	061373703
12/28-12/29	12/29/2006	1100 blk Mason Ct.	Burglary/Residence	Suspect Unk	061376371
12/28-12/29	12/29/2006	1200 blk Bayside	Minor beyond Parental		061377062
12/31/2006	12/31/2006	Address Withheld	Kidnapping/domestic Violence		061382889

Part 1 Crimes December, 2006

Assult	Robbery	Homicide	Arson	Total 8
Burglary 5	Sex Offenses 1	Vehicle Theft	Larceny 2	

01/03/2007 09:12 SOUTHERN STATION CAPTAINS STAFF → 92240239 NO.479 D02

CITY & COUNTY OF SAN FRANCISCO

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MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

TO: Mayor Gavin Newsom

FROM: Mirian Saez, Director of Island Operations, Treasure Island

RE: Signature Initiatives, Their Challenges and Goals

DATE: December 28, 2006

The three key signature initiatives currently being developed by the Treasure Island staff are:

1) Creating an **Emergency Operation Plan** for Treasure Island and Yerba Buena Island.

2) Improving the delivery of **Security Service** by collaborative efforts of the San Francisco Police Department, Department of Defense Officers, and private security.

3) Adopting a new **Leasing Policy** consistent with our new interim period and the conditions of our assets.

1. **Emergency Operation Plan.** In order to create an Emergency Operation Plan, the coordination and involvement of numerous City departments and Island stakeholders is required including the Fire (SFFD) and Police Departments (SFPD), Department of Public Works (DPW), commercial tenants and our residents. Major hurdles are: (1) obtaining the sufficient number of supplies for the Island's population and its safe storage; (2) assuring that major equipment, such as generators and drafting pipe(s), and major systems, such as portable sewage treatment, are operational when an emergency strikes; and (3) assessing the Island's current resources and acquiring additional resources necessary for the anticipated 72-hour period when Treasure and Yerba Buena Islands may be isolated from the rest of the City. The Plan must take into consideration the unique challenges that will confront the Islands in the event of the collapse of the Bay Bridge or the Treasure Island Causeway: 1) The challenge of our geographic isolation, and hence need for water-borne support and transportation; and 2) The challenge to the SFFD Station 48 in fighting multiple on-Island fires with stored tank water should "drafting" not be an available option and also in fighting any fire occurring on Yerba Buena Island should the Causeway collapse.

One corrective measure that must occur is to fix the "drafting pipe." The pipe allows for the SFFD to use Bay water to fight fires. The drafting pipe is currently clogged or otherwise inoperable and has been in this condition for some time. SFFD Station 48 is aware of the condition of the drafting pipe, as they are the ones who alerted us to its current state. However, it is unclear if there has ever been responsibility assigned to DPW, PUC or SFFD for maintenance

of this crucial piece of back-up equipment. Similar equipment located along the City's waterfront at the Port is maintained by the SFFD. This drafting pipe is just one example of TIDA's need for other City departments to work cooperatively with Treasure Island staff to coordinate capital expenditures for major emergency equipment and systems on the Island.

2. **Security Services.** Our goal is to coordinate the various the law enforcement agencies on the Island to work cooperatively and to share resources in the hopes of producing a more responsive and knowledgeable security force.

The first area of concern is safety of the residential area. The Island continues to experience a spike in burglaries. The second area of concern is the security of our vacant units both residential and commercial. The Island has become a hub of illegal activity, including copper mining, encampments and trespassing.

One telling example: On Friday, December 15th, 2006 the Department of Defense (DOD) officers discovered a Rave party breaking up around 1:30 a.m. They estimated over 75 people participated in the event. The vacant building was boarded up and entry required power tools to remove the boards. Generators were brought into the building to power the musical equipment. The Rave was reported to the DOD by an officer from a private security firm. The DOD officers cited and released eleven individuals while SFPD aided in searching for outstanding warrants for these individuals.

This incident raises many Island security issues, mainly coordination, resources and community policing. Would the DOD benefit from being on the same radio frequency as the SFPD for coordination? The SFPD has not agreed to give a radio, citing homeland security as a concern. Can officers with knowledge of the Island be assigned to work here? SFPD officers are rotated and rarely have a strong knowledge of the Island, limiting their community policing ability. In a recent ride-along conducted with the Director of Island Operations, the police officers were unaware that the school had closed in December of 2005.

A third security challenge on Treasure Island is illegal activities by boaters in Clipper Cove. Clipper Cove is not currently governed by the City's Port Code or by the Police Code sections covering activities on the water. As such, the San Francisco Police Marine Unit only has limited authority to enforce laws or cite vessels or boaters. As a result, the Cove has become a location for long-term anchor-outs and abandoned boats. Many of these anchor-outs have been using the Cove as a dumping ground for waste, as well as setting up encampments on the shores. In order to keep the Cove a safe and enjoyable location for responsible recreational boaters, staff and the Marine Unit propose that the Police Code be amended to include Clipper Cove and to apply the standard Port regulations governing boating and waterways activity to the waters of the Cove, similar to recently enacted legislation governing personal watercraft on the Port's waterfront in the City. This type of Code amendment will require legislative action by the San Francisco Board of Supervisors.

3. **Leasing Policy.** Staff is in the process of creating a new interim leasing strategy to competitively market and to prospectively identify tenants for our existing stock of commercial space. This Policy shall acknowledge the sub-standard condition of the majority of the commercial space, the short-term nature of any new commercial lease given the development phasing plan and the Navy's restrictive one-year Master Lease term with TIDA, and the need to provide incentives for commercial tenancy through Tenant Improvement Credits or Tenant Allowances.

The overall goal for the Director of Island Operations and staff is to create a better quality of life for the residents who currently reside on the Island by 1) creating an **Emergency Operations Plan** to address the health and safety needs of Island residents in the event of a major catastrophe; 2) coordinating **security service** to improve the security and safety of Island residents; and 3) adopting a new interim **Leasing Plan** to generate income to be used for Island resident services.

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MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

To: Treasure Island Development Authority Board of Directors

From: Mirian Saez, Director of Island Operations

Date: January 5, 2007

Re: Authority Board Attendance Policy

Please find attached the Attendance Policy for the Authority Board, as approved by the Board at its December 13, 2006 regular meeting. Also attached is the executed resolution for this approval. Should you have any questions about this policy, please contact Authority Board Commission Secretary Peter Summerville.

RECYCLED PAPER

TREASURE ISLAND DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS
ATTENDANCE POLICY

Introduction
In August 2006, the Board of Supervisors adopted Resolution 502-06, urging each City board, commission and advisory body ("Policy Body") to adopt an internal policy regarding members' attendance at meetings of the body and requesting each body to submit a copy of its policy to the Board of Supervisors by December 1, 2006. The Board of Supervisors resolution urges that such policy address "how and when members are to be excused from attending particular meetings" and "when the body is to report a member's excessive absenteeism to the appointing authority." On September 18, 2006 the Mayor issued a directive to Department Directors and Commission Secretaries urging them to incorporate specific baseline standards of commissioner attendance in their policies and procedures as appropriate. The appointing authority shall determine whether and how to take absences (whether notified or not) into account in making future decisions regarding member appointments or tenure.

Purpose
The following policy is designed to establish minimum attendance standards for the members of the **Treasure Island Development Authority Board of Directors** ("Authority Board"). In the event of any conflict between any provision of this policy and any provision of a City ordinance or other applicable law (collectively, "Laws") governing the Authority Board that establish more stringent attendance requirements for members of the Authority Board, the conflicting provision of such Laws shall govern.

Attendance Requirements
Except in the event of a notified absence, as defined below, each member of the Authority Board is expected to attend each regular or special meeting of the Authority Board. The Authority Board commission secretary ("Commission Secretary") shall maintain a record of members attendance.

Notified Absences
A member's absence shall constitute a "notified absence" where the member, in advance of the meeting, informs the Commission Secretary of the Authority Board. An absence due to unforeseen circumstances such as illness or emergency shall also qualify as a notified absence where the member reports such absence to the Commission Secretary of the Authority Board as soon as reasonably possible. The Commission Secretary of the Authority Board shall record as non-notified all absences involving neither advance notice nor unforeseen circumstances.

Report to the Appointing Authority
The Commission Secretary of the Authority Board shall report all instances of non-notified absences as well as any instance of three consecutive absences of a member from regular meetings in a fiscal year to the member's appointing authority, which for members of the Authority Board is the Office of the Mayor of San Francisco ("Office of the Mayor").

Annual Attendance Report

At the end of each fiscal year, the Commission Secretary of the Authority Board shall submit a written report to the Office of the Mayor detailing each Authority Board member's attendance at all meetings of the Authority Board for that fiscal year.

[Treasure Island Development Authority Board of Directors Attendance Policy]

Resolution Adopting an Attendance Policy for the Members of the Treasure Island Development Authority Board of Directors.

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under California Community Redevelopment Law (Sections 33000 et seq. of the California Health and Safety Code) with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to the Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency for the Base in 1998; and,

WHEREAS, The Treasure Island Development Authority is governed by a Board of Directors comprised of eight members which meet regularly, seven of which are appointed by the Mayor of San Francisco and one which sits as the elected Supervisor of the district in which Treasure and Yerba Buena Islands are located; and,

WHEREAS, It is the desire of the Authority Board to establish an Absentee Policy to govern attendance by Directors at Authority Board meetings; now therefore be it

RESOLVED, That the Board of Directors of the Treasure Island Development Authority hereby adopts the Attendance Policy for the Board of Directors of the Treasure Island Development Authority in substantially the form attached to this resolution as Exhibit A.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on December 13, 2006.



John Elberling, Secretary

CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
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MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

To:	**Treasure Island Development Authority Board of Directors**
From:	**Mirian Saez, Director of Island Operations**
Date:	**January 5, 2007**
Re:	**Project Office Organizational Chart and Job Descriptions**

Per Director Elberling's request for information made at the December 13, 2006 Authority Board meeting, please find enclosed the City Administrator's organizational chart and City and County of San Francisco Class Specifications for Treasure Island Project Office staff.

At this meeting Director Elberling also inquired about the procedure for yearly performance evaluations of the Director of Island Operations. The Office of the City Administrator is currently reviewing options for how best to incorporate the Board's participation into the evaluation process, and will report back on this subject at a later date.

RECYCLED PAPER

City Administrator Organization Chart for FY 06-07

1182 City Administrator

Other Divisions (next page)

- Animal Care and Control
- Convention Facilities
- Internal Services
- Medical Examiner
- Entertainment Commission

City Administrator Programs

311 Call Center

Treasure Island Project Office

Labor Standards Enforcement
0933 Manager IV
1428 Sr. Clerk Typist
1446 Secretary II
2978 Contract Compliance Off. I (3)
2992 Contract Compliance Off. II (5.5)
2978 Contract Compliance Off. I
2992 Contract Compliance Off. II
2992 Contract Compliance Off. II (.5)

Grants for the Arts
0922 Manager I
0932 Manager IV
1844 Sr. Management Assistant
3549 Arts Program Assistant
9774 Sr. Community Development Specialist

Mayor's Office on Disability
0931 Manager III (2)
0932 Manager IV
0932 Manager IV
1365 Special Assistant VI (2)
1446 Secretary II

County Clerk
1021 IS Administrator I
0952 Deputy Director II
1408 Principal Clerk
1426 Sr. Clerk Typist
8108 Sr. Legal Process Clerk (4)

Risk Management
0922 Manager I
0932 Manager IV
1446 Secretary II

Public Finance
0932 Manager IV
1822 Administrative Analyst
1824 Principal Administrative Analyst

Immigrant Rights Commission
0922 Manager I

Management/Administration

0922 Manager I (2)
0923 Manager II
0933 Manager V
0941 Manager VI
0953 Deputy Director III
0955 Deputy Director V
1022 IS Administrator II
1023 IS Administrator III
1044 IS Engineer-Principal
1051 IS Business Analyst
1053 IS Business Analyst-Sr
1054 IS Business Analyst-Principal
1220 Payroll Clerk
1222 Sr. Payroll/Pers. Clerk.
1244 Sr. Personnel Analyst (2)
1270 Dept Personnel Officer
1365 Special Assistant VI
1408 Principal Clerk
1452 Executive Secretary
1454 Executive Secretary III
1632 Sr. Account Clerk
1652 Sr. Accountant (2)
1654 Principal Accountant
1657 Sr. Systems Accountant
1822 Administrative Analyst

... in 06-07 budget

Class Specifications

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NEOGOV

Class Title: Deputy Director III

Salary: $55.09 - $70.30 hourly
$4,407.00 - $5,624.00 biweekly
$9,548.50 - $12,185.33 monthly
$114,582.00 - $146,224.00 annually

Description | **Benefits**

Under policy direction, plans, develops and implements all functions and activities of a division/bureau based on effective responsiveness to the public and/or other client needs; develops and implements policies, goals and objectives, and ensures the enforcement of all applicable laws, ordinances and regulations; and prepares and presents reports to Department Head and Commissions/Boards on activities, issues and needs of the division/bureau; and performs related duties as required.

Distinguishing Features:

Reporting to the Department Head, Deputy Directors function at the highest level of department management and are responsible for all functions and activities of a major division or area. Positions in this class are exempt from Civil Service appointment (Charter Section 10.104); appointment to Deputy Director positions are made by the department head and appointees serve at their discretion.

Positions in this class provide executive direction for highly specialized professional functions within departments. Incumbents in these positions make decisions critically impacting diverse functions of the division/bureau; manage organizational changes; and provide direction to Division Managers responsible for major program areas.

Deputy Directors within a single department may be allocated at different classification levels depending on scope and complexity of functions managed. Distinctions between class levels in the Deputy Director job codes are based on the program's complexity and size, organizational impact, nature and number of functions/programs managed, decision-making responsibility, level of supervision exercised, nature of positions supervised, and the nature and scope of duties assumed.

0953 This class level has responsibility for the direction of a division/bureau in a medium-sized City Department (guide: 175-800 employees) typically managing citywide functions or services.

Examples of Important and Essential Duties:

1. Directs the development and implementation of timely division/bureau goals, policies, and strategic plans; manages the allocation of resources and service levels to meet client needs.

2. Oversees the operation of division/bureau functions, activities and programs; sets objectives and monitors the performance of subordinate staff engaged in defined activities.

3. Monitors the organizational structure, staff assignments, service levels and administrative systems required to accomplish a department's mission and objectives in an effective and efficient

manner; directs the identification and analysis of opportunities for service enhancements.

4. Consults with the Mayor/Mayor's staff regarding the activities of the functional area assigned and coordinates with other City departments in addressing service needs; may represent the Department before or provide information to commissions, boards, committees and representatives from federal, state and local agencies, organizations, and the media.

5. Directs the development and implementation of the operational budget; monitors expenditures to ensure adherence to the approved budget.

Job Related and Essential Qualifications:

Knowledge of: federal, state, and local rules and regulations pertaining to activities and functions of the specific department; modern management and financial principles and practices; and functional expertise associated with a department's mission.

Ability to: provide strong leadership skills; direct subordinate staff engaged in diverse activities; exercise administrative ingenuity, independent analysis, adaptability and judgement on highly specialized proposals with difficult, complicated choices of action; make recommendations and present them effectively to the Mayor, commissions, boards, committees, other agencies and the public; apply the principles and practices of public administration, financial and personnel management; clearly interpret all applicable laws, ordinances and codes; direct research, survey techniques and statistical methods; communicate effectively with subordinates, other city employees, the general public, members of civic organizations, or other agencies; and provide guidance to managers in a calm, effective manner in crisis situations.

Special Requirements:

Special Qualifications including specialized knowledge, abilities, education, experience, or license may be established for individual positions.

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Class Specifications

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Class Title: Manager V

Salary: $51.33 - $65.51 hourly
$4,106.00 - $5,241.00 biweekly
$8,896.33 - $11,355.50 monthly
$106,756.00 - $136,266.00 annually

Description | **Benefits**

Under general administrative direction, incumbents in this class function as senior managers operating within a broad policy framework and typically manage a division of a medium/large department. Incumbents assume sole responsibility for a functional area(s) of service; coordinate and implement program planning; and define organizational structure, staffing requirements, resource allocation and identification of future resource needs. Incumbents interface with all managerial levels of city/county government and outside agencies, and serve as representatives of the division or department in meetings involving administrative systems, policies or procedures; and perform related duties as required.

Distinguishing Features:

Distinctions between class levels in the management series are based on the program's complexity, sensitivity and/or size, organizational impact, the nature and number of functions/programs managed, decision-making responsibility, level of supervision exercised, nature of positions supervised, and the nature and scope of duties assumed such as hands-on work rather than planning and policy development activities.

Incumbents in this class typically assume responsibility for divisions of medium/large size performing technically complex functions which are organized into multiple or diverse sections and/or units.

The Manager V class is distinguished from the Manager IV class by the latter's division-wide responsibility for multiple functional program areas or complex program areas.

The Manager V class is further distinguished from the Manager VI class by the latter's responsibility for major complex, functionally-related areas organized into multiple departmental divisions. Incumbents in these positions develop and establish policies and procedures and make decisions which impact the daily operations including management and allocation of resources for a major organizational unit (division/bureau/area.) Decisions made by incumbents affect multiple divisions and impact the economic vitality of city government or the health and welfare of a segment of the public. These Managers typically interact with executive and regulatory representatives and negotiate solutions to major issues which may involve policy and procedural changes.

Supervision Exercised:

These Managers typically manage mid-level staff or line managers.

Examples of Important and Essential Duties:

1. Plans, monitors, evaluates, and supervises the operation of a

division of a city department; coordinates the work of the various subdivisions; advises and consults with section managers; meets with appropriate staff to identify and resolve problems or conflicts; makes or recommends final decisions regarding policy, operations, and administrative procedures.
2. Develops, implements and maintains procedures, administrative monitoring practices and controls in order to obtain smooth and effective operation of a division; coordinates work activities of one division with other divisions within the department to prevent delays in required actions or to improve programs or services; assists in the identification, development and implementation of departmental goals, objectives, policies, and priorities; assists in the determination of resource allocation and levels of service according to established policies.
3. Receives and analyzes division and departmental reports; directs the preparation of monthly and annual reports; directs the gathering and analysis of information and reports necessary to document and evaluate processes.
4. Monitors the work of and coaches subordinates to improve performance.
5. Directs the allocation of resources to achieve timely outcomes and measurable goals within budget; adjusts plans and programs to meet emerging or new programs, while continuing to address major departmental priorities.
6. Monitors and evaluates the effectiveness and efficiency of the division's service delivery system, organizational structure, staffing levels, financial systems, and other internal operations; identifies and recommends alternative approaches or improvements; implements revisions, adjustments and changes.
7. May serve as liaison for the Department with a variety of other City/County staff, policy-making officials, and officials of outside agencies; explains and justifies Departmental or administrative procedures, policies, or programs; negotiates and resolves difficult and complex issues and problems.
8. May plan, develop, implement or direct major or complex projects or programs which span a number of the department's established sections or divisions; directs the research of complex, highly technical issues; analyzes alternative solutions or approaches; recommends most effective course of action.
9. Oversees and administers division budget; directs and monitors expenditures in accordance with the approved budget; directs the preparation and maintenance of a wide variety of statistical, fiscal, and operational reports and studies; and provides executive management with an early warning and practical options to potential cost overruns.

Job Related and Essential Qualifications:

Knowledge of: federal, state, and local rules and regulations pertaining to assigned division, project, or program; principles and practices of management, administration, budgeting, training and personnel management.

Ability to: manage, supervise, train, and coordinate complex functional areas of responsibility and groups of employees; identify, analyze and report upon activities, issues, and problems and recommend appropriate solutions; establish and maintain effective working relationships with departmental staff, representatives of other agencies and the public; present facts clearly and concisely orally and in writing; and make group presentations.

Special Requirements:

Special Qualifications including specialized knowledge, abilities, education, experience, or license may be established for individual positions.

Class Specifications

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Class Title: Senior Real Property Officer

Salary: $41.83 - $50.84 hourly
$3,346.00 - $4,067.00 biweekly
$7,249.67 - $8,811.83 monthly
$86,996.00 - $105,742.00 annually

Description | **Benefits**

Under general direction, the Senior Real Property Officer supervises real property officers in the performance of technical appraisal and negotiation work in connection with the acquisition, lease or sale of real property; and may be assigned the responsibility for a major land acquisition or lease project. The Senior Real Property Officer is responsible for carrying out, interpreting, and coordinating existing policies, methods, and procedures of the Real Estate Department in the acquisition, management and leasing of real estate for various City agencies; preparing difficult appraisals in determining fair market value; committing an agency or department to expenditures of large amounts of money for real estate related activities, making personal contacts with departmental representatives and the general public involving discussion, explanation, and interpretation of policies; preparing, checking, and reviewing detailed and complex technical real property records and reports; the overall supervision of the preparation and analysis of technical records, reports, and documents dealing with property acquisition, sale and leasing activities and functions.

Distinguishing Features:

The 4142 Senior Real Property Officer is the first supervisory level in the Real Property Officer series. It is distinguished from the Real Property Officer by its supervisory responsibility. It is distinguished from the 4143 Principal Real Property Officer in that the latter supervises the former in the more difficult appraisal and negotiation assignments and serves as principal advisor in real estate matters to departments where assigned.

SUPERVISION EXERCISED: Exercises supervision over 4140 Real Property Officers.

Examples of Important and Essential Duties:

According to the Civil Service Commission Rule 9, the duties specified below are representative of the range of duties assigned to the 4142 Senior Real Property Officer and are not intended to be an inclusive list.

1. Plans, schedules and supervises the work of Real Property Officers engaged in appraisals, negotiations and other related duties for the leasing, acquisition or sale of property or property rights; may train subordinate real property officers in departmental procedures, including instruction on the Administrative Code and City Charter.
2. Personally appraises and negotiates complex acquisitions and lease agreements; assists subordinate agents in the more difficult appraisal and negotiation assignments; coordinates and implements the bid process for public bidding on the sale, lease or development of City real property, supervises the handling of escrow and instructions to title companies.

3. Engages the services of independent appraisers, outside consultants and other real estate experts; reviews and correlates these reports; may appear as an expert witness in cases involving the determination of fair market value.
4. Reviews land titles and title reports in order to clear imperfect titles.
5. Supervises the preparation of reports for presentation to officers of other City departments on matters regarding the acquisition, lease or sale of real property rights related to departmental activities.
6. Prepares resolutions, ordinances, deeds and other documents necessary to implement the acquisition, lease or sale of real property.
7. Supervises the preparation and maintenance of departmental records, reports, files and statistics relative to City-owned property.
8. Confers with City Attorney, engineers, architects, and outside consultants in the conduct of all of the above.

Job Related and Essential Qualifications:

Knowledge of: property valuation procedures, concepts and techniques; real estate law, codes, regulations and procedures; and commercial leasing and property management practices and procedures.

Ability to: communicate effectively orally and in writing, including the ability to interpret and explain policies and to conduct difficult negotiations; interact effectively, courteously and tactfully with property owners, agents, representatives of outside organizations and the general public; supervise, plan and direct the work of subordinate real property officers, maintenance and processing or real estate documents, reports and records; ability to operate a motor vehicle safely within the State of California.

EXPERIENCE AND TRAINING GUIDELINES:

Experience and Training:
1. Possession of a Baccalaureate degree from an accredited four-year college or university with courses in real estate law, property appraisal, economics, finance and statistics; AND
2. Five (5) years of verifiable experience in the appraisal, purchase, lease and sale of real property as a right-of-way agent, property officer or real estate appraiser with a public agency, a real estate appraiser, a commercial property manager or a commercial real estate broker or agent. Residential and multi-unit residential experience only will not qualify you for this examination; AND
3. Possession of a valid driver's license.

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Class Specifications

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NEOGOV

Class Title: Senior Administrative Analyst

Salary: $34.65 - $42.11 hourly
$2,772.00 - $3,369.00 biweekly
$6,006.00 - $7,299.50 monthly
$72,072.00 - $87,594.00 annually

Description | **Benefits**

Under general direction plans, organizes, leads and/or participates in complex, sensitive, and detailed analytical work in the areas of budget, financial/fiscal, economic, legislative and administrative policy and/or contract administration.

Distinguishing Features:

Class 1823 Senior Administrative Analyst is the Senior journey level in the Administrative Analyst series with responsibility for directing and performing difficult, complex, and/or sensitive projects for departmental management. This class is distinguished from class 1822 Administrative Analyst in that class 1822 is the journey-level class working under general supervision. Class 1823 is distinguished from class 1824 Principal Administrative Analyst in that class 1824 has greater and/or more complex financial responsibilities, greater consequence of error and independence of action, and is assigned the most difficult, complex, and sensitive projects.

Supervision Exercised: Class 1823 Senior Administrative Analysts may supervise a small staff performing moderately complex analytical work.

Examples of Important and Essential Duties:

According to Civil Service Commission Rule 9, the duties specified below are representative of the range of duties assigned to this class and are not intended to be an inclusive list.

1. Researches, analyzes and makes policy recommendation on special projects or highly visible public issues; may direct complex financial or operational activities; responds to informational requests, including those of a highly sensitive nature, and may represent the department to the Mayor's office, Board of Supervisors, Controller's Office, other city officials, outside agencies and the public; acts as executive assistant and provides administrative analysis to high-level managers or a department head.
2. Coordinates, develops, manages and monitors a departmental budget of moderate complexity or assists in the development and management of a departmental budget of greater complexity; negotiates budget proposals within the department and with the Mayor's Office, Board of Supervisors and other agencies; prepares budget line item narrative, analyses, recommendations, and justifications for annual and supplemental requests; assists management in the budget development process, monitoring of the budget, budget reporting, and interpretation of budget-related documents.
3. Analyzes trends in budget expenditures and revenues, prepares financial/statistical reports for management, Mayor's Office, Board of Supervisors, Controller's Office and various funding agencies; coordinates and monitors departmental reporting to funding agencies

including the subvention of funds to contracting organizations and justifies that funds are used as required.
4. Coordinates the activities related to the application for, and management of multiple source capital projects and/or grants; monitors detailed and complex budgets, ensures expenditures remain within budget, and shifts funds within guidelines; coordinates and monitors reporting to funding agencies including the subvention of funds to contracting organizations and justifies that funds are used as required; may coordinate the preparation of City-wide single audit report.
5. Plans and performs economic and/or financial analyses including forecasting, revenue and/or expense projections, analysis of capital requirements, calculation of debt capacity, evaluation of financing alternatives; rate analysis, modeling and cost/benefit analysis; prepares reports with financial/policy recommendations and appropriate supporting documentation; may assist in the preparation of audit schedules and financial statements.
6. Analyzes and interprets existing, newly enacted and proposed local, state, federal legislation and regulation for policy and financial impact on the department; advises management and prepares recommendations with appropriate supporting documentation regarding how to comply with new regulations, mitigate adverse action against the department or maximize potential revenues; develops, implements and monitors new and revised reporting systems required by legislation.
7. Analyzes existing and proposed administrative policies and procedures as well as organizational problems; conducts difficult and detailed studies; identifies administrative problems, determines methods of analysis, and identifies trends; prepares and presents reports with recommendations and appropriate justification based on studies and surveys; may coordinate the implementation of new systems and/or procedures.
8. Prepares MBE/WBE and contract status reports; conducts competitive contract vendor selection processes including public bids and requests for proposals, distributes and places advertisements and public notices for contracts; processes moderate to highly complex contracts including advertising for bids/proposals, receipt and review of bids, contract negotiation and award, and routing through signature/documentation process to certification; provides information to staff from Purchasing, Human Resources, Human Rights Commission and the Administrative Services Office; and provides training and technical assistance to staff and contractors on departmental and City contracting policies, procedures and requirements.
9. Prepares cost estimates and terms for new and existing contracts, for proposed change orders and modifications; reviews contract provisions, conducts site visits, and meets with engineers/inspectors/program managers to develop cost estimates; meets with contractors to negotiate requests for additional costs; assists in analyzing costs related to change orders and modifications; maintains data and information resources on current industry cost standards for materials, equipment and labor costs; establishes and maintains contact with sources of information including vendors, labor unions and governmental agencies.
10. Performs related duties and responsibilities as assigned.

Job Related and Essential Qualifications:

Knowledge of: the principles and techniques of governmental organization and management; the principles and techniques of financial/fiscal analysis and budgeting; the principles and techniques of economic and policy analysis; the principles and techniques of generally accepted accounting principles and government accounting standards; application of statistical and other analytical methods; applicable local, state, and federal laws and regulations affecting departmental operations; principles involved in the development and implementation of complex systems and procedures; methods, procedures, and techniques needed for negotiations of contract

terms, change orders, cost estimates and modifications.

Ability to: collect, synthesize, and analyze a wide variety of information; conduct difficult analytical studies involving complex administrative and financial systems and procedures; work with authority to identify and define problems, determine methodology, evaluate data, make recommendations with appropriate justification and develop/implement a plan of action; assign and direct the work of subordinates; establish and maintain effective communication with senior management, officials, departmental representatives, vendors, or other agencies; negotiate effectively; use a personal computer and software programs as utilized in various departments.

Experience and Training Guidelines:

1. Possession of a baccalaureate degree from an accredited college or university AND four years of experience in complex budget analysis, financial/fiscal analysis, economic analysis, contract administration, or legislative/administrative policy analysis; OR
2. Possession of a baccalaureate degree in Accounting, Finance, Economics, Public or Business Administration or related field from an accredited college or university AND three years experience in complex budget analysis, financial/fiscal analysis, economic analysis, contract administration, or legislative/administrative policy analysis; OR
3. Possession of a Master's degree in Accounting, Finance, Economics, Public or Business Administration or related field from an accredited college or university AND two years experience in complex budget analysis, financial/fiscal analysis, economic analysis, contract administration, or legislative/administrative policy analysis.

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Class Specifications

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NEOGOV

Class Title: Junior Administrative Analyst

Salary: $21.49 - $26.11 hourly
$1,719.00 - $2,089.00 biweekly
$3,724.50 - $4,526.17 monthly
$44,694.00 - $54,314.00 annually

Description | **Benefits**

Under supervision, the Junior Administrative Analysis assists with and performs professional level work in analyzing operations of City departments and agencies as they relate to the formulation and execution of the annual budget, grants, legislative/administrative policy, financial/fiscal policy and/or contract administration.

Distinguishing Features:

Class 1820 Junior Administrative Analyst is the entry-level class of the series performing professional level work in analyzing, researching and reporting functions related to department operations. This class is distinguished from Class 1822 Administrative Analyst in that the latter is the journey level of the series that performs duties of difficult and complex nature related to administrative policy analysis, legislative analysis, economic analysis, budgetary analysis, complex financial/fiscal analysis and reporting, and development/administration of competitive bid processes, contractual agreements or grants.

Examples of Important and Essential Duties:

According to Civil Service Commission Rule 109, the duties specified below are representative of the range of duties assigned to this class and are not intended to be an inclusive list.

1. Conducts field surveys and carries out routine research in connection with budget, legislative or management studies and/or performs analysis of actual expenditures compared to the budget or public policy issues.
2. Assists in conducting difficult and complex analysis, procedural, organizational and operational investigations, surveys and/or research relating to department/agency operations.
3. Provides routine information to departmental personnel on the preparation of budget and policy documents, reports, demographics and program implementation.
4. Assists in preparing reports and proposals.
5. Assists in preparing budget and program delivery calendars.
6. Assists in compiling budget requests, making budget presentations, performing cost analysis and preparing program reports.
7. Prepares, generates, and updates budget documents, contract reports, surveys, databases and mailing lists.
8. Tracks and coordinates revenue and expenditures, grants, program budgets, and other funds.
9. Assists with the preparation and submittal of supplemental budget requests.
10. Assists in preparation and coordination of development of legislative proposals and/or statewide initiatives.
11. Prepares graphs and charts for presentations.
12. Assists in the preparation of quarterly and year-end financial,

program and budget, and legislative reports.
13. Assists in review, processing and monitoring of contracts and contract certification processes.
14. Inputs and maintains data in computerized system and generates computerized reports.
15. Maintains contract files, and other contract documents and certificates, and monitors validity of documents.
16. Performs related duties as assigned.

Job Related and Essential Qualifications:

Knowledge of: principles and processes of finance, accounting, budgeting, contracts, and the legislative process; practices and principles of administrative and management techniques.

Ability to: conduct surveys and perform routine research; collect, research, and analyze data; interact with departmental personnel to obtain and furnish information on budget/grants, contracts, legislative and procedural matters; prepare and write reports and proposals.

Skill to: Utilize computers for word-processing, databases, Internet, e-mail and various spread sheet software.

EXPERIENCE AND TRAINING GUIDELINES:
1. Possession of a baccalaureate degree from an accredited college or university; AND one (1) year of professional experience in budget analysis, financial analysis and reporting, legislative/policy analysis, or contract/grant administration; OR
2. Possession of a baccalaureate degree from an accredited college or university in accounting, finance, public or business administration, economics, urban studies, public policy or a related field;

SUBSTITUTION:
Professional experience in budget analysis, financial analysis and reporting, legislative/policy analysis, or contract/grant administration may substitute for up to two years of the required education in #1 above, on a year-for-year basis (2,000 hours experience is equivalent to 30 semester/45 quarter units).

LICENSE/CERTIFICATE: None

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TREASURE ISLAND EVENT CALENDAR

12/12/2006

DATE	TYPE	LOCATION	EVENT	START	END	GUESTS
25 Feb 07	Wedding	Casa de la Vista	Simi Ghal/Rizwah Markar	9AM	7PM	180
01 Mar 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
03 Mar 07	Party	Casa de la Vista	Armenian National Committee	5PM	12AM	150
08 Mar 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
10 Mar 07	Wedding	Chapel	Jeanie Low	1PM	4PM	150
15 Mar 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
17 Mar 07	Wedding	Chapel	Cynthia Lew/Robert Chiu	1PM	4PM	250
22 Mar 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
24 Mar 07	Wedding	Great Lawn	Justine Miner/Dean Castelli			200
24 Mar 07	Party	Casa de la Vista	The Psychotherapy Institute	10AM	12AM	200
25 Mar 07	Wedding	Casa de la Vista	Kai Jackson/Kwofi Reed	2PM	10PM	150
29 Mar 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
31 Mar 07	Wedding	Casa de la Vista	Michelle Shiiba/Tony Guariadi	1.30PM	11.30PM	180
05 Apr 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
07 Apr 07	Wedding	Chapel/Casa	Donna Eng/Tom Schmidt	3:00PM	11:00PM	150
12 Apr 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
14 Apr 07	Wedding	Casa de la Vista	Gabby Boriongan/Michael Elma	3PM	11PM	110
14 Apr 07	Fundraiser	Bldg 1 Parking Lot	San Francisco Architectural Heritage	6PM	12AM	600
19 Apr 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
21 Apr 07	Prom	Building 1	The Event Group-Lincoln	12PM	2AM	700
21 Apr 07	Wedding	Chapel/Casa	Joan Lindenstruth/Isao Yagi	4.30PM	12.30AM	100
26 Apr 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
28 Apr 07	Prom	Building 1	Hillsdale High School	4PM	1AM	500
28 Apr 07	Wedding	Chapel/Casa	Ashley Agustin/Joeseph Scripilliti	3.30PM	12AM	180
29 Apr 07	Wedding	Chapel/Casa	Carol Underwood	11AM	9PM	180
03 May 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
05 May 07	Wedding	Chapel/Casa	Molly Phelps/Kevin Dame	4PM	12AM	140
05 May 07	Prom	Building 1	Cassandra Grill Consulting/Pittsburg High	4PM	1AM	400
10 May 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
12 May 07	Prom	Building 1	Yanacio Valley High School			

TREASURE ISLAND EVENT CALENDAR

12/12/2006

DATE	TYPE	LOCATION	EVENT	START	END	GUESTS
14 Dec 06	Film Shoot	Perimeter Path	Beyond Productions	8AM	6PM	20
14 Dec 06		Chapel Lot	Chicken Hooray	3PM	7.30PM	
15 Dec 06	Party	Building 1 Lobby	Pillsbury Winthrop Shaw Pittman	2PM	12AM	450
16 Dec 06	Wedding	Chapel/Casa	Chris Bollerud/Veronica Toledo	1PM	12AM	150
16 Dec 06	Film Shoot	Great Lawn	Beyond Productions	8AM	6PM	20
17 Dec 06	Service	Chapel	Korean Jesus Church of SF	10AM	1AM	70
12/18-12/20	Filming	Building 1 & Lot	Dreamworks Productions	8AM	8PM	500
21 Dec 06		Chapel Lot	Chicken Hooray	3PM	7.30PM	
23 Dec 06	Wedding	Chapel/Casa	Thinh Nguyen/Vicky Tran	10AM	6PM	180
24 Dec 06	Service	Chapel	Korean Jesus Church of SF	10AM	1PM	70
28 Dec 06		Chapel Lot	Chicken Hooray	3PM	7.30PM	
31 Dec 06	Service	Chapel	Korean Jesus Church of SF	10AM	1PM	70
04 Jan 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
06 Jan 07	Wedding	Chapel/Casa	Neil Sims	1.30PM	12.30AM	110
11 Jan 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
18 Jan 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
25 Jan 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
27 Jan 07	Wedding	Casa de la Vista	Rosaleah Martinez/Arvin Davis	4PM	12AM	170
01 Feb 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
03 Feb 07	Fundraiser	Bldg 1 & 180North	Make A Wish Foundation	5PM	11PM	1200
03 Feb 07	Wedding	Chapel/Casa	Junik Sandhu/Brad Stein	12PM	2AM	180
04 Feb 07	Wedding	Chapel/Casa	Jason Tanner/Katherine Galloway	11AM	7PM	120
08 Feb 07	Luncheon	Building 1	Sportschannel Bay Area Associates	9AM	5PM	300
08 Feb 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
10 Feb 07	Party	Casa de la Vista	Helen Cohen	4PM	12AM	100
15 Feb 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
17 Feb 07	Wedding	Casa de la Vista	Connie Suter/Randy Lincheid	3PM	11PM	120
18 Feb 07	Wedding	Chapel/Casa	John Somaduroff/Paula Rivera	2.30PM	10.30PM	100
22 Feb 07		Chapel Lot	Chicken Hooray	3PM	7.30PM	
24 Feb 07	edding	Casa de la Vista	Christopher Pl Beatriz Medina	2PM	12AM	180

CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
410 AVENUE OF THE PALMS,
BLDG. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

January 3, 2007

Mr. William Murphy
[redacted]
Redwood City, CA 94062-3135

Dear Mr. Murphy,

A sailboat with the California registration # CF4709GJ, of which you are the registered owner, currently sits docked at the Treasure Isle Marina in Treasure Island's Clipper Cove. As caretaker for former Naval Station Treasure Island, the Treasure Island Development Authority (TIDA) is responsible for the overall maintenance and security of former Naval Station Treasure Island, which includes Clipper Cove. San Francisco Police Department reports indicate that this unattended vessel was towed into the Marina, the closest point of safe harbor, by the SFPD Marine Unit on December 27, 2006 due to the unattended vessels unsafe anchorage in Clipper Cove. Due to the navigational and safety hazards caused by this unsafe anchorage, please let this letter serve as notice that you have 30 days to retrieve your vessel from Treasure Isle Marina as well as to completely remove your vessel from Clipper Cove.

Should you fail to remove your unattended vessel within 30 days of the date of this letter, vessel # CF4709GJ will be considered an abandoned vessel under Section 522(a) of the Harbor and Navigation Code, which states in part:

> *522. (a) Any hulk, derelict, wreck, or parts of any ship, vessel, or other watercraft sunk, beached, or allowed to remain in an unseaworthy or dilapidated condition upon publicly owned submerged lands, salt marsh, or tidelands within the corporate limits of any municipal corporation or other public corporation or entity having jurisdiction or control over those lands, without its consent expressed by resolution of its legislative body, for a period longer than 30 days without a watchman or other person being maintained upon or near and in charge of the property, is abandoned property.*

As registered owner of the vessel, its abandonment places you in violation of Section 525(a) of the Harbor and Navigation Code, which states:

> *525. (a) Except for urgent and immediate concern for the safety of those aboard a vessel, no person shall abandon a vessel upon a public waterway or public or private property without the express or*

implied consent of the owner or person in lawful possession or control of the property.

Please let this letter serve as notice that failure to remove your unattended vessel from Clipper Cove within this 30 days will result in the salvage and removal of vessel CF4709GJ from its docked location at the Treasure Isle Marine. As registered owner of this abandoned vessel, you are responsible for all charges incurred by TIDA with regards to removal and salvage of the vessel under Sections 525 (b) and (c) of the Harbor and Navigations Code, which states:

(b) The abandonment of any vessel in a manner as provided in subdivision (a) is prima facie evidence that the last registered owner of record, not having notified the appropriate registration or documenting agency of any relinquishment of title or interest therein, is responsible for the abandonment and is thereby liable for the cost of removal and disposition of the vessel.
(c) Violation of this section is an infraction and shall be punished by a fine of not less than five hundred dollars ($500), nor more than three thousand dollars ($3,000). In addition, the court may order the defendant to pay to the agency that removes and disposes of the vessel the actual costs incurred by the agency for that removal and disposition.

Should you have any questions or concerns, please contact TIDA staff member Peter Summerville at (415) 274-0660.

Sincerely,



Mirian Saez
Director of Island Operations

CC: Eileen Malley, Office of the City Attorney
Sgt. Dan Lopez, San Francisco Police Department Marine Unit
Cpt. Denis O'Leary, San Francisco Police Department
Claudine Cheng, President, Treasure Island Development Authority

CITY & COUNTY OF SAN FRANCISCO
ASURE ISLAND DEVELOPMENT AUTHORITY
410 AVENUE OF THE PALMS,
G. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

December 28, 2006

Ms. Jessica Conner
[redacted]
San Francisco, CA 94102

Dear Ms. Conner,

The 37 foot wooden hulled sailing ketch Kahuna Kai, of which you are the registered owner, currently sits grounded on the southern shore of Treasure Island. As caretaker for former Naval Station Treasure Island, the Treasure Island Development Authority (TIDA) is responsible for the overall maintenance and security of former Naval Station Treasure Island. San Francisco Police Department reports indicate that the Kahuna Kai has been grounded on the shore of Treasure Island since January 14, 2006. The vessel is in a state of serious disrepair and disintegration, posing both an environmental and public safety hazard to Treasure Island and the waters of Clipper Cove.

Since you have failed to have the vessel salvaged within 30 days of its January, 2006 grounding on the Island, the Kahuna Kai is considered an abandoned vessel under Section 522(a) of the Harbor and Navigation Code, which states in part:

> *522. (a) Any hulk, derelict, wreck, or parts of any ship, vessel, or other watercraft sunk, beached, or allowed to remain in an unseaworthy or dilapidated condition upon publicly owned submerged lands, salt marsh, or tidelands within the corporate limits of any municipal corporation or other public corporation or entity having jurisdiction or control over those lands, without its consent expressed by resolution of its legislative body, for a period longer than 30 days without a watchman or other person being maintained upon or near and in charge of the property, is abandoned property.*

As registered owner of the vessel, its abandonment places you in violation of Section 525(a) of the Harbor and Navigation Code, which states:

> *525. (a) Except for urgent and immediate concern for the safety of those aboard a vessel, no person shall abandon a vessel upon a public waterway or public or private property without the express or implied consent of the owner or person in lawful possession or control of the property.*

RECYCLED PAPER

Please let this letter serve as notice that your vessel will be removed from its location on the southern shore of Clipper Cove and stored by a marine salvage company contracted by TIDA. As registered owner of this abandoned vessel, you are responsible for all charges incurred by TIDA with regards to removal and salvage of the vessel under Sections 525 (b) and (c) of the Harbor and Navigations Code, which states:

> *(b) The abandonment of any vessel in a manner as provided in subdivision (a) is prima facie evidence that the last registered owner of record, not having notified the appropriate registration or documenting agency of any relinquishment of title or interest therein, is responsible for the abandonment and is thereby liable for the cost of removal and disposition of the vessel.*
> *(c) Violation of this section is an infraction and shall be punished by a fine of not less than five hundred dollars ($500), nor more than three thousand dollars ($3,000). In addition, the court may order the defendant to pay to the agency that removes and disposes of the vessel the actual costs incurred by the agency for that removal and disposition.*

Should you have any questions or concerns, please contact TIDA staff member Peter Summerville at (415) 274-0660.

Sincerely,

Mirian Saez
Director of Island Operations

CC: Eileen Malley, Office of the City Attorney
Sgt. Dan Lopez, San Francisco Police Department Marine Unit
Cpt. Denis O'Leary, San Francisco Police Department
Claudine Cheng, President, Treasure Island Development Authority

TREASURE ISLAND

A NEW SAN FRANCISCO NEIGHBORHOOD

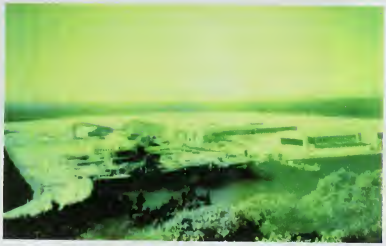
WWW.SFGOV.ORG/TREASUREISLAND

Treasure Island - an overview



- Mayor Gavin Newsom, City and County of San Francisco
- President, Claudine Cheng, Treasure Island Development Authority
- Director, Mirian Saez, Island Operations

Our History









Originally built to be San Francisco International Airport. However, to celebrate the completion of two bridges it was chosen to be the site of the 1939Golden Gate International Exposition.

1939 Golden Gate International Exposition



The Arch



Pacifica





The Tower of the Sun

1939 Mystery Solved



Believed to have mysteriously disappeared, the Golden Key of the 1939 GGIE, was in fact being held at the Fine Arts Museum of San Francisco. Valued at $1,200,000, the key is being stored at an undisclosed location.

The Navy





From 1941 to 1997, Treasure Island was home to the U.S. Navy, and played an integral role in World War II, Korea and Vietnam.

The Island





365 Acres, sitting in the middle of the bay.

The Residents







Treasure Island is home to 2290 Residents.

663 Individuals live in the Treasure Island Homeless Development Initiative housing.

1627 Individuals live in market rate housing.

There are 484 Children living on the Island.

Renting Housing on T.I.

- To rent a home on Treasure Island, contact our management company, John Stewart at (415) 834-0211
- There are a variety of units from two to four bedrooms
- Ample parking
- City access with the 108 bus line

Housing Demographics

Villages at Treasure Island
Market Rate Housing Information and Community Profile
December 2006

Number of Units

Treasure Island	535
Yerba Buena Island	88
TOTAL	623

Units by Type

2 Bedroom	122	20%
3 Bedroom	298	48%
4 Bedroom	203	32%
TOTAL	623	

Number of Residents

2 Bedroom	184	11%
3 Bedroom	764	47%
4 Bedroom	679	42%
TOTAL	1,627	

Households with Children

With Children	103	17%
Without Children	494	79%
Vacant	26	4%
TOTAL	623	

Households with Students (College and University)

With Students	92	15%
Without Students	505	81%
Vacant	26	4%
TOTAL	623	

Residents by Age

0-12	135	8%
12-18	73	4%
18-30	685	42%
30-45	497	31%
45-60	194	12%
60-75	43	3%
75+	0	0%
TOTAL	1,627	

Residents by Gender

Female	718	44%
Male	909	56%

Residential Lease Term: One Year, Month-to-month thereafter

Rental Rates: Two-bedroom units range from $1,850 to $2,100 per month including utilities.
Three-bedroom units range from $1,900 to $2,600 per month including utilities.
Four-bedroom units average $2,300 to $3,000 per month including utilities.

The Treasure Island Homeless Development Initiative

- The Treasure Island Homeless Development Initiative is the umbrella organization for homeless service providers. Services are provided to formerly homeless families, through agencies such as:

- Catholic Charities: housing, supportive services, and job development
- Community Housing Partnership: housing and supportive services
- Swords to Plowshares: housing, supportive services and job development
- Haight Ashbury Free Clinic: housing and supportive services
- Walden House: housing, supportive services, and recovery program
- Delancey Street: housing, and supportive services
- Rubicon: housing and job training
- ToolWorks: job training

Schools/Training Centers

- Job Corps: a federally funded job training program with 682 students.
- Life Learning Academy: Delancey Street's Charter School has 38 Students.
- Kidango: an early child development center has 64 students.
- Glide Memorial: 30 students, hard trades.
- San Francisco Fire Department Academy: has 36 students.

Recreation Destination



Treasure Island Sailing Center



Golden Gate Rugby



- Netball

More Recreation



San Francisco Little League



Treasure Isle Marina



Clipper Cove



Treasure Island Yacht Club

More Recreation



Treasure Island Boys and Girls Club



Athletic Fields



Fog Watch Picnic Area



Perimeter Path

Annual Special Events



Dragon Boat Festival (2 years)



Treasure Island Triathlon (6 years)



Alzheimer's Memory Walk (8 years)

Recent Events





Operation Golden Guardian



Mayor Gavin Newsom, Celebrating Muni's Clean Air Diesel Program



Governor Schwarzenegger signing AB32: reduction in Green House gasses.

Cultural Events



- The Treasure Island Development Authority's "*Pageant of the Pacific*" murals, painted by Miguel Covarrubias for the 1939-1940 Golden Gate International Exposition, are currently on an exhibition tour throughout Mexico. The most recent exhibit is at the Museo de San Ildefonso in Mexico city.

Special Events





The Terminal Building









The Terminal Building

- Originally built to be the terminal for San Francisco International Airport.
- Art Deco in style
- 10,000 square feet
- Ample parking, or arrive by coach or ferry service
- $3,000 Standard rate, $3,900 Holiday rate, $2,400 Non-profit rate
- 500 Seated and 900 Standing

Clipper Cove Hanger







Clipper Cove Hanger

- Originally built to house the flying Clipper ships.
- It is a light Industrial hanger
- $10,000 Standard rate, $10,000 Holiday rate, and $8,000 Non-profit rate
- Each hanger is 20,000 square feet
- 2500 standing each side
- 1500 seated
- Frequently used for filming
- Ample parking, or arrive by ferry or coach service

Casa de la Vista









Casa de la Vista

- Originally built as the Officers' Club
- Breathtaking views of the city
- Parking
- Immediately adjacent to the chapel
- 7,000 square feet
- $2,750 Standard rate, $3,350 Holiday rate, $2,200 Non-profit rate
- 180 Seated, 300 Standing
- Full kitchen

The Chapel







The Chapel

- Built in 1943, it is a nondenominational chapel
- High gabled ceilings and rich walnut walls
- Beautiful stained glass window
- 9,800 Square feet
- $500 Standard rate, $650 Holiday rate, $400 Non-profit rate
- Seats 250
- Ample parking

Fog Watch Picnic Area



- The Fog Watch Picnic Area, is a small enclosed outdoor area, with tables, benches, views, and barbecue facilities.
- $500 Standard rate
  $650 Holiday rate
  $400 Non-profit rate

The Great Lawn





The Great Lawn

- Breathtaking views of San Francisco.
- Easily tented for large and small events.
- 126,500 Square feet of open space.
- $2,000 Standard rate
- $2,600 Holiday rate
- $1,600 Non-profit rate
- Ample Parking

The Nimitz House







The Nimitz House

- Built in 1891, the Nimitz House is a grand Colonial style mansion.
- This rare gem is like stepping back in time.
- Perfect for elegant, cozy sit down dinners or small intimate stand up receptions.
- Available for film and still photo shoots
- $1500 per day

Filming Opportunities



Hanger Three: 1939 Fine and Decorative Arts Building



- Film and Television productions
- *Rent*, 1492 Production
- *The Hulk*,
- *Bicentennial Man*, Walt Disney Production
- *Metro*, Touchstone Production
- *What Dreams May Come*, Interscope Communicatios
- *Jade*, Paramount Pictures
- *Patch Adams*, Universal Productions
- *Flubber*, Walt Disney Productions
- *James and the Giant Peach*, Walt Disney Productions
- *Parent Trap*, Walt Disney Productions
- *Copycat*, Warner Brothers Production
- Nash Bridges, Television Production

Special Events Leasing



To Lease spaces for Special Events or Filming
Contact Lori Mazzola at (415) 274-0312





Commercial Leasing







Commercial Leasing

- From light industrial to office space, Treasure Island has a wide variety of commercial leasing opportunities.

- To Lease Commercial Space Contact Marc Mc Donald at (415) 274-0382

Pier One & Barges



- Pier One was built to house the Missouri.
- It is available for leasing as are our barges.

A New San Francisco Neighborhood

A Regional Destination



- 6,000 homes on TI and YBI
- 420 Hotel Rooms
- 235,000 sf Retail
- 300 acres Open Space
- Historic Adaptive Re-use

CORNERSTONES OF THE DEVELOPMENT PLAN

HOUSING

30% Affordable Homes
Diversity of Home Types
Family-friendly Development

CORNERSTONES OF THE DEVELOPMENT PLAN

HOUSING

PARKS AND RECREATIONAL FACILITIES

Great Park
Urban Farm
Sports Fields
YBI Open Space
Neighborhood Parks
Stormwater Wetlands
Sailing and Water Activities

CORNERSTONES OF THE DEVELOPMENT PLAN

HOUSING

PARKS AND RECREATIONAL FACILITIES

SUSTAINABILITY

[Triple Bottom Line]

Ecology
Social Equity
Economy

Sustainability Framework

Masterplan – *Committed to LEED ND Gold Certification*
(Good Faith Efforts to Achieve Platinum Level)

Buildings – *Treasure Island Green Building Specifications*
- *Applies to All New Buildings*
- *Condition of Approval for Building Permits*

- *Derived from LEED NC Standards*
  - *Developed with SF Environment*



A Compact, Walkable Neighborhood Community

90-100 homes per acre | more open space | less infrastructure



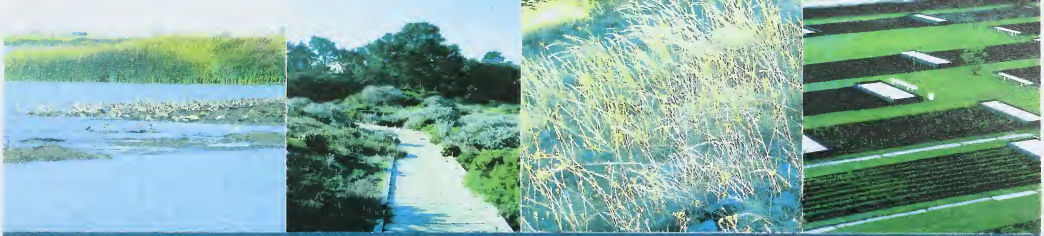
Transportation Program Guiding Principles

- Establish transit-oriented land use plan
- Establish a self-sufficient transportation system
- Foster a transit-oriented lifestyle
- Minimize impact of autos on Bay Bridge



30% Affordable Homes

- 15% TIHDI and TIDA homes
- 15% Inclusionary homes
- Total project contribution to Affordable Housing $406 million
  - Developable pads $158 million
  - TIHDI/TIDA subsidy for construction $41 million
  - Tax increment / housing fees for TIHDI/TIDA homes $76 million
  - Inclusionary homes construction $131 million



Open Space





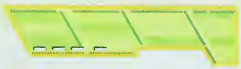


Sports Park





Demonstration Organic Farm





City Side Art Park



The Great Park | YBI Open Space





Phase One | 2009 – 2013

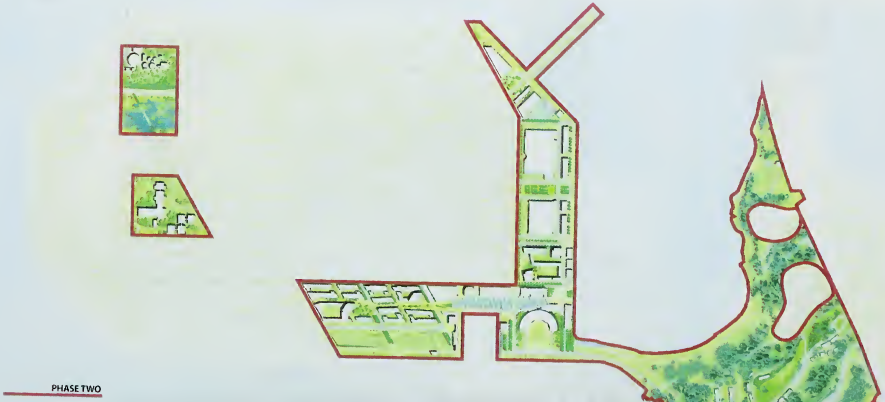
Geotech Stabilization | Ferry Quay | Infrastructure Backbone



Implementation

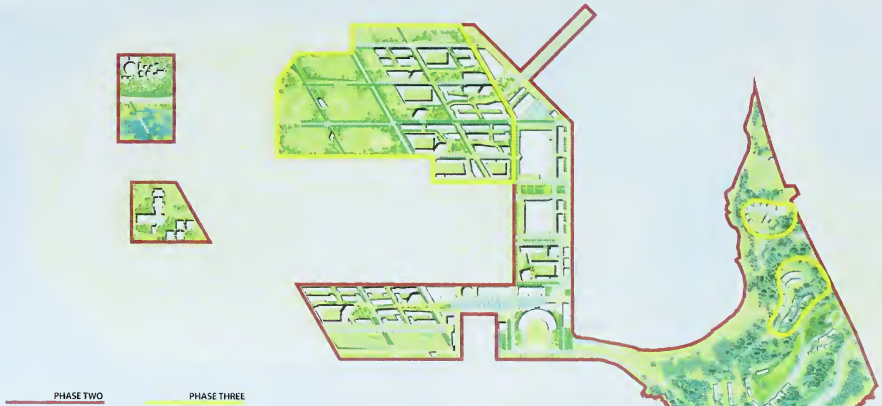
Phase Two | 2012 – 2014

Cityside and Clipper Cove Neighborhoods | School
Historic Adaptive Re-use | Wetlands
YBI West and Open Space | Urban Core | WWTP



Phase Three | 2014 – 2016

Eastside Neighborhood | Ballfields | YBI East | YBI Historical



Phase Four | 2016 – 2018

Cityside Neighborhood | Core Towers | Urban Farm
Remainder of Great Park



SFPUC
WATER
POWER

SAN FRANCISCO PUBLIC UTILITIES COMMISSION

1155 Market St., 11th Floor, San Francisco, CA 94103 • Tel. (415) 554-3155 • Fax (415) 554-3161 • TTY (415) 554 3488

GAVIN NEWSOM
MAYOR

RICHARD SKLAR
PRESIDENT

RYAN L. BROOKS
VICE PRESIDENT

E. DENNIS NORMANDY
ANN MOLLER CAEN
ADAM WERBACH

SUSAN LEAL
GENERAL MANAGER

December 19, 2006

ENTERED
DEC 2006
TREASURE ISLAND DEVELOPMENT AUTHORITY

Commissioner Jon Rubin, Chair
Bay Area Toll Authority
Metropolitan Transportation Commission
Joseph P. Bort Metro Center
101 Eighth Street
Oakland, California 94607

Re: Item 4(b), December 20, 2006 BATA Meeting

Dear Commissioner Rubin:

I am writing you to state our continued support of the replacement of an underwater electric cable serving Treasure and Yerba Buena Islands. Resolution No. 68 as approved by the Authority on July 21, 2006, demonstrated the Authority's commitment to this project.

As you prepare for any further discussion of the replacement project rebid results and award, please be aware of additional steps the City, acting through the San Francisco Public Utilities Commission (SFPUC), has taken to continue to support the project as agreed to in the August, 2006, Cooperative Utility Agreement between the State and Treasure Island Development Authority (TIDA), and the June, 2006, Memorandum of Understanding between SFPUC and TIDA.

Recall that the SFPUC is providing collateral and security, effectively backstopping the financial commitment TIDA made to the State to repay the incremental cost of the Upgrade Cable. After the initial bid process resulted in a bid well in excess of the engineers estimate, your representatives discussed with the City whether the City would provide advance payment of funds needed above the pre-established BATA cost share. On December 12, 2006, the SFPUC approved authorizing the General Manager to provide additional funds needed to TIDA, and required by BATA, to ensure that the requested advance payment is readily available. The SFPUC is now fully prepared to provide those additional funds, dependent only upon the results of the bid process.

The San Francisco-Oakland Bay Bridge project staff and your Commission have recognized the importance of the Upgrade Cable to the redevelopment of Treasure and Yerba Buena Islands (TI/YBI). The City continues to make steady progress in that redevelopment effort. On December 12, 2006, the San Francisco Board of Supervisors endorsed the Development Plan and Term Sheet for the Redevelopment of Naval Station Treasure Island, and in that action, addressed the provision of power. While the issue of who has the right or obligation to provide electric service to TI/YBI is not the issue before you now, PG&E has raised the issue.

SFPUC Hetch Hetchy Water and Power has been operating as the electricity provider on TI/YBI since 1997, when the City, through TIDA, entered into a Cooperative Agreement with the U.S. Navy concurrent with the base closure. We are the electricity provider to all of the occupants and users of TI/YBI such as the Job Corps, the United States Coast Guard, the approximately 3,000 residents under subleases to the John Stewart Company and member organizations of the Treasure Island Homeless Development Initiative, and various commercial and nonprofit tenants. In the Development Plan and Term Sheet endorsed by the Board of Supervisors, it states that "[t]he option of continuing to provide power from a public agency is an important tool to maintain flexibility in achieving the high level of sustainability goals..." and that TIDA "...anticipates that the Project will continue to purchase all of its electricity from [SFPUC] Hetch Hetchy Water and Power..."

PG&E is authorized to provide electric service within the City and County of San Francisco by a franchise agreement, which is a contract between PG&E and the City. This franchise agreement does not grant PG&E any exclusive right to provide service within the CCSF. PG&E has no rights or obligations under the franchise or elsewhere that authorize or compel it to provide service where, as here, the City is already providing service and intends to do so in the future.

The City wishes to continue the cooperative working relationship we have had with the Bay Bridge project staff on the cable relocation since 2003. PG&E's proposal conflicts with the administrative and financial structure the City, State, and Navy established for the project. The decision before you now is to award the bid.

Sincerely,

Barbara Hale
Assistant General Manager, Power Enterprise

cc: Wil Kempton, Executive Director, CalTrans
Steve Heminger, Executive Director, MTC
Commissioners, Metropolitan Transportation Commission
Aaron Peskin, President, San Francisco Board of Supervisors
Commissioners, San Francisco Public Utilities Commission
Jesse Blout, Mayor's Office of Economic and Workforce Development
Michael Cohen, Mayor's Office of Economic and Workforce Development, Base Reuse and Development
Board Members, Treasure Island Development Authority

Mayor Gavin Newsom
Claudine Cheng, President, Treasure Island Development Authority
Mirian Saez, Director of Island Operations

Produced with the assistance of "Good Neighbors" - volunteers on TI/YBI

January 2007

Sun	Mon	Tue	Wed	Thu	Fri	Sat
31 Fireworks	1 Happy New Year!	2	3	4 **Chicken Hooray!** 3 pm — 7:30 pm	5	6
7 **Farmer' Market** 9 am — 2 pm **Family Appreciation Day**	8	9 **CAB Meeting** —Canceled—	10 **TIDA Meeting** 1:30pm to 4:30 pm City Hall, Room 400	11 **Chicken Hooray!** 3 pm — 7:30 pm	12	13 **Free Cooking Class** 1 pm — 3 pm
14 **Farmer's Market** 9 am — 2 pm	15	16	17 **Community Meeting** 7 pm — 8:30 pm The Ship Shape	18 **Chicken Hooray!** 3 pm — 7:30 pm	19	20 **Goodwill e-Waste Collection + Fluorescent Bulb Collection**
21 **Farmer's Market** 9 am — 2 pm	22	23	24	25 **Chicken Hooray!** 3 pm — 7:30 pm	26	27
28 **Farmer's Market** 9 am — 2 pm	29	30	31	**See "Events" section for more details on events** **Deadline for Feb. Calendar: 1/17** **E-mail marianne.thompson@sfgov.org**		

Important Numbers to Have

Emergency:	**Dial 911**
SFPD non emergency	**(415) 553-0123**
Leasing Office	(415) 834-0211
• Maintenance	(415) 834-0211
• Emergency After Hours	(415) 445-2184
Comcast	(800) 266-2278
Muni/511.Org	Dial 511
Treasure Island Development Authority	(415) 274-0660
SBC/ATT	(800) 310-2355
SFICA - Community Association	(415) 520-6672
SF Unified School District	(415) 242-2600
San Francisco Supervisor Chris Daly	(415) 554-7970
Treasure Island Creative Network	(415) 274-0311 ext. 301
Treasure Island Development Authority	(415) 274-0660
Treasure Island Homeless Dev. Initiative	(415) 274-0311

Island Related Websites

www.sfgov.org/Treasureisland	*(TI Development Authority)*
www.TIHDI.org	*(TI Homeless Dev. Initiative)*
www.TreasureIslandOnline.net	*(Community Resources/News)*
www.94130.com	*(Online community)*
www.94130.net	*(Online community)*

Recreation

TI Sailing Center	www.tisailing.org	(415) 421-2225
Golden Gate Rugby	www.sfggrfc.com	(415) 335-3079
SF Stars Netball	www.starsnetball.com	(415) 259-8489
YMCA Gym		(415) 765-9037
Marina	www.treasure-isle.com	(415) 981-2416
Yacht Club	www.tiyc.org	(415) 434 4475
SF Little League	www.sfll.org	(415) 263-0510

Youth

Kidango	www.kidango.org	(415) 834-0602
SF Boys & Girls Club	www.bgcsf.org	(415) 362-9037

Stores

Treasure Island Mini-Market Monday—Friday 7 a.m. to 8 p.m., Saturday & Sunday 10 a.m. to 7 p.m.

Treasure Island Photo Booth Treasure Island front gate. Hours are variable.

Fresh Food

Farmer's Market Marina Parking Lot Sundays 9am - 1 pm
Please park in the Building One parking lot.

Chicken Hooray! The Chicken Hooray! Truck will serve fresh, hot chicken every Thursday in the Chapel Parking Lot. Please look for the red and silver checkered rotisserie truck. Hours of Operation: 3:00 PM to 7:30 PM

Restaurant

Crossroads Cafe by the Bay Treasure Island Marina parking lot, outside the Treasure Island front gate Hours of operation: Tuesday through Friday: 7 a.m. to 3 p.m., Saturday: 8 a.m. to 3 p.m *For to-go orders, please call (415) 362-5851 during regular business hours.*

Job Corps Advanced Culinary Academy Fine Dining Restaurant Job Corps - Building 368, 9th Street and Avenue C
Hours of operation: Tuesday through Thursday: 12 noon to 1 p.m. *Reservations required. Please call **(415) 277-2301***

Delivery to the Island

Planet Organics	(800) 956-5855	www.planetorganics.com
Chinese Food Mae Lee	(415) 242-1006	
Gino's Pizza	(415) 922-0202	
Pizza Lover	(415) 437-9400	
Town Pizza	(415) 551-2524	

Events

Every Sunday 9 am – 2 pm Farmer's Market Fresh fruit, vegetables, flowers. Marina parking lot.

Every Thursday: 3 pm – 7:30 pm Chicken Hooray! Serving fresh, hot chickens in the Chapel Parking Lot. Please look for the red and silver checkered rotisserie truck.

January 7 : Mayor Gavin Newsom presents Family Appreciation Day. San Francisco families with children will receive FREE admission to many museums and attractions all over the City. For more info – Go to www.dcyf.org.

January 10, 1:30 pm – 4:30 pm TIDA Meeting Treasure Island Development Authority Meeting, 2nd Wed of each month unless otherwise specified. Regular meetings occur on the 2nd Wednesday of each month, 1:30 - 4:30 pm unless otherwise specified. San Francisco City Hall, Room 400. E-mail TIDA@sfgov.org for more information

January 13, 1 pm – 3 pm Free Cooking Class This is a class for people new to vegetarian cooking, who want to learn how to eat healthy, save money, and treat themselves to delicious food! Shipshape Building (see map). Call 415-954-0984 or 415-274-0311 for more info.

January 17, 7 pm – 8:30 pm Community Meeting. Sponsored by TIDA, TIHDI and SFICA. Come to hear the latest on things that affect the community. In the ShipShape building.

January 20, 10 am – 2 pm Goodwill e-Waste collect

Treasure Island E-Waste Recycling Day 2006

Sponsored by the Treasure Island Development Authority, San Francisco Department of the Environment, and Goodwill of San Francisco, San Mateo and Marin Counties

WHEN: January 20, 2006, 9 AM – 2 PM
WHERE: Building 180, California Avenue and Avenue C on Treasure Island

Did you get a new computer, television or DVD player for the Holidays? Have you been wondering what to do with your old, outdated equipment? Take this opportunity to responsibly dispose of all old computers, electronics, batteries, fluorescent bulbs and more FOR FREE!

Please contact the Treasure Island Development Authority for more information. Phone (415) 274 -0665 or e-mail: Peter.Summerville@sfgove.org

TREASURE ISLAND SAILING CENTER
Launching Point for New Horizons
FALL 2006



TISC FUNDRAISING REPORT AND FORECAST

The Treasure Island Sailing Center (TISC) has experienced monumental growth in the past two years on several fronts made possible through increased fundraising revenue. Throughout this Fall 2006 Newsletter we've highlighted various aspects of our recent growth, most importantly our increasingly successful youth outreach programs.

As always, the primary mission of TISC continues to be to broaden our reach into the community to enable more children of all socio-economic backgrounds to share in the experience of sailing. To fulfill this mission the TISC board of directors, staff and volunteers organize a variety of fundraising events, solicit grants and other donations, and continue to build relationships with Bay Area companies and organizations that share our interest in community outreach.

Here are a few highlights about some recent fundraising successes and a bit about our future fundraising plans.

Summer Sailstice 2006

At this inaugural event held at TISC June 17 & 18, sailing enthusiasts of all ages, from all around the Bay Area, came together to celebrate the summer solstice through cruising, racing and on land celebration.

Six dinghy and keelboat fleets competed in two days of racing to support community sailing in this fundraising event with live music, food, drink, and both live and silent auctions.

We are so thankful to the participants, volunteers, auction donors, and sponsors of this event, all of whom helped us raise over $14,000 for Youth Sailing Outreach Programs. We look forward to hosting this event next summer and to an even larger number of racers, cruisers and party-goers interested in celebrating the beginning of summer and supporting community sailing.

The 2nd Annual BIG Team Regatta

This joint effort organized by TISC, Olympic Circle Sailing Center (OCSC) and GEL, was held Friday, October 6 at OCSC in Berkeley. More than thirty sailors, novice and skilled, took to the Bay under expert instruction provided by OCSC and during an afternoon of fun-filled racing. Malcolm Properties, Inc. came up the winner for the day.

Our thanks go out to all of the teams who joined us for this event. With the support of these sponsors, $40,000 was raised to help fund TISC's Youth Outreach Sailing Programs. Many thanks to all involved!

Year-End Fundraising Drive

While fundraising events are a fun way to support TISC's programs and they provide an excellent opportunity to engage with the broader Bay Area sailing community, they are only one means of raising the funds required to continue to develop community outreach sailing programs.

We also realize that not everyone has the time to participate in these events during the year and we are frequently contacted about other ways to donate to TISC.

If you are interested in making a donation to support TISC's ongoing development of community sailing on San Francisco Bay, tax deductible donations are welcome at any time. A donation envelope addressed to TISC is enclosed with this newsletter—you are welcome to enclose a check and return the envelope to us, or if you prefer you may also contact us by phone to make a donation. Thanks in advance for your support!

Fundraising in 2007

On the back page of the newsletter we've included a calendar of fundraising events in 2007. We welcome your participation in any of these events—as a sponsor, regatta entrant, product donor, volunteer, or simply as an attendee. Please review the event dates and contact us if you would like to get involved. Of course we also encourage you to submit any ideas you may have for future fundraising efforts as well!

As you read through this Fall 2006 Newsletter, we hope you'll recognize the progress and recent achievements of TISC. But more importantly, we hope you'll take a moment to acknowledge your own contributions to TISC—as a student or parent of a student, financial supporter, volunteer, regatta participant, or tenant, your contribution helps TISC make community sailing efforts successful. Thank you from all of us!

Summer Sailstice 2006 Sponsors

Almar Marinas
Bay View Boat Club
Bitter End Yacht Club
Club Nautique
First Republic Bank
GEL
J World
Lagunitas Brewery
Latitude 38
Life Learning Academy
Mount Gay
OCSC
South Beach Yacht Club
Strictly Sail Pacific
Treasure Island Development Assn.
Treasure Island Yacht Club
Volunteer Center of San Francisco
Yacht Racing Association

FOUNDATION UPDATE

TISC'S MISSION

Treasure Island Sailing Center is a non-profit organization dedicated to improving our community through the sport of sailing by providing access, facilities, and sailing instruction to people of all socio-economic backgrounds, skill levels, and physical abilities.



The new facility changing rooms.

Though nearly $.85 of every dollar raised goes directly toward Youth Sailing Outreach Programs, TISC must also contribute significantly each year to capital improvements as outlined in the lease agreement with the City of San Francisco. This past year those improvements included expanding and enhancing the TISC facility. We also built changing rooms and installed outdoor showers. Thank you to Sierra Point Lumber for donating the lumber for the changing rooms and to TISC tenant, Sarah Deeds, for the wonderful architectural design. Also, courtesy of Webcor, a deck was built onto the office and classroom building, providing an area for on land sailing instruction on sunny days. With a larger footprint leased from the City of San Francisco, we were also able to enlarge the boat yard, making room for additional tenants.

One recent important shift for TISC has been our move from an all volunteer managed organization to one with a limited number of paid staff. Though sailing instructors have always been paid, TISC had never hired permanent staff to oversee general operations, facility management, or program development. Current staff members include Amy Lyons, Program Director—overseeing the development and execution of our Youth and Adaptive Outreach and adult sailing programs, and Vanessa Allen, Office Coordinator and Sailing Instructor—responsible for administration of the facility and programs, as well as supporting all marketing, communications and fundraising efforts. Lisa Hotchkiss, who has recently worked with TISC on fundraising and development will continue with us focusing on grant writing.

All of TISC's recent growth—increased youth outreach program enrollment, new adaptive programs, and recent facility developments—would not have been possible without these key staff additions. We are also currently seeking to fill a new Executive Director position and expect to announce that placement in our Spring 2007 newsletter.

Though many organizations, individuals, and companies are involved in supporting TISC throughout the year, none of our efforts would be possible without the ongoing support of the City of San Francisco, the Treasure Island Development Authority (TIDA), and the TIDA Citizens Advisory Board. Many thanks to them and to all of you for continuing to invest in TISC's future. Together we look forward to broadening our service base and launching more programs to enhance our community involvement in 2007 and beyond.

2007 WISH LIST

The following items are just a few of the things we need to make our programs, facility and office run even better:

* Photocopier
* Motorboat
* FJ and Opti Sailboats, sails, and dollies
* Towing Vehicle (van)

If you would like to make a donation please let us know!

TISC FOUNDATION BOARD OF DIRECTORS

Carisa Harris Adamson, President
Tom Allen, Vice President
William Hoehler, Secretary
Terry Anderlini
Julia Cashin
Doug Cefali
Chris Churchill
Marcella Churchill
Jack McDonald
Herb Meyer
Jay Palace
Anthony Sandberg
Ralph Silverman

GET INVOLVED!

Interested in making a donation or becoming more involved with TISC?

Visit our website (www.tisailing.org) for details about volunteer opportunities.

To make a donation please use the enclosed self addressed envelope.

All donations are tax deductible and should be made payable to TISC.

Please contact Vanessa Allen for more information: vanessa.allen@tisailing.org or 415-421-2225

Outstanding TISC Supporters

America One Foundation
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Peter & Kristen Lane
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Malcolm Properties Inc.
OCSC
Warmington Homes

Host A Regatta at Treasure Island Sailing Center

TISC's easily accessible and central Bay Area location and facilities make it the ideal place on the Bay to host dinghy and small keel boat regattas. With easy access to various racing areas—Clipper Cove, Emeryville Flats, and the Berkeley Circle—TISC is a great place for racing of all skill levels.

In addition to the amazing sailing venue TISC provides there is a far more important reason to race out of Treasure Island: *all of the proceeds from your regatta directly support TISC's Youth Outreach Sailing Programs.*

For more information about hosting a regatta at TISC please contact Vanessa Allen: vanessa.allen@tisailing.org or 415-421-2225

YOUTH OUTREACH SAILING UPDATE

Number of participants: 606 *Total youth hours:* 9158

What a successful summer! TISC staff members, Vanessa Allen, Amy Lyons, Liz Rountree, and Dubliners Kevin Bowe and Nick Craig, had the great opportunity of exposing hundreds of kids to sailing on San Francisco Bay.

This summer over 426 kids participated in our programs. Over 300 of these kids came from 18 camp groups to participate in everything from a day of sailing to two weeks of camp. Most of the groups serve at-risk youth, and through our scholarship program the kids had an experience like never before!

Over 90 sailors signed up individually to attend camp—some of whom came for four or five weeks! Sailing week after week, and for many, year after year, means they're getting pretty good and some are ready to race! TISC race team members attended regattas all over the Bay Area—from Richmond to Redwood City—and they represented TISC well with great scores and even better attitudes.

Some kids participated in TISC's Ship Shape program to promote healthy choices and life skills. A recurrent Ship Shape theme at camp this summer was teamwork. Every child who sailed learned to work with others. Kids who didn't know each other on Monday helped launch each other's boats by the end of the week.

"The sailors can't do everything by themselves so they must work together. They quickly learn that the only way to get out sailing is to help each other—they learn the value of team work first hand" remarked instructor Vanessa Allen.

For many, TISC provides a safe place to go. Treasure Island resident, Cayland Stanley first came to TISC with the Treasure Island Boys and Girls Club and was instantly bitten by the sailing bug. He continued coming to camp on his own throughout the summer and he is now a member of the race team.

According to Cayland's mother, Janna, "Cayland loves sailing and seems to have found his niche! It's so nice to see him comfortable and confident in himself!" For Olivia Fernandez of the TI Boys and Girls Club, "TISC has given many kids the opportunity to engage in something that they would normally never get the chance to do." TISC opens new doors for its sailors, and Cayland is one of many who thinks of TISC as a safe place to go and of sailing as something good—and fun—to do.

We hope to see all of our sailors again for fall, spring, or summer classes!

~Amy Lyons, Program Director

Sea Tigers Earn Their Stripes

Early Sunday morning, every Sunday morning, a group of young boys is picked up by their teacher, "Mr. A,"(Dan Augustine) to go to Treasure Island. Their destination is TISC and as they pile out of the car and change into their wetsuits, they become the proud Sea Tigers team. The Sailing Sundays are a reward for hard work in their Special Education class at Harding School in El Cerrito.

TISC provides the Sea Tigers with sailing instruction, sailing gear, unlimited peanut butter sandwiches and, now that the Sea Tigers are starting to race, transportation to regattas. "The Sea Tigers are what TISC is all about—taking kids who've never sailed and providing them with resources to excel on the water and in life in general" remarked Carisa Harris, Board President of TISC. When the Tigers can't sail due to weather, they help out with maintenance on the many boats at TISC.

Augustine is very proud of his students and notes, "some of these kids never considered college an option, but now, thanks to the sailing program, they've developed huge amounts of self confidence and are talking about sailing scholarships and their futures."



New sailors from the youth group "A Home Away from Ho lessness" after enjoying a week of sailing camp.

Summer Youth Racing

TISC's Race Team had a great summer! Two sailors had an awesome weekend participating in the Junior Olympic Festival at Richmond YC. Talon Arroyo, who took 2nd in the Laser 4.7 fleet at Encinal's Svendsen's Splash, moved up to the Radial and learned the hard way that you need vang downwind. The Laser Radials sailed on the outside course in a steady 17 knots, but first-year (first month!) sailor Talon hung on tough. In the Opti Green Fleet, Cailen Stepanek had an excellent first regatta with a very consistent weekend—almost all of his finishes were top ten!

Ten TISC race team members participated in the TISC hosted intra-club regatta Friday, August 4. The morning wind was a light 0-5 knots, but built to a steady 12 by afternoon. Eight races were completed and Jaime Garcia-Ruiz won the event with only 10 points. Cailen Stepanek took second, and Cayland Stanley, who bikes to camp every morning, finished third.

The TISC Race Team also traveled to Sequoia YC for BAYS #4 in Redwood City. It was a light 6 knots of breeze with a 5 knot flood—tough conditions for our sailors who are used to the mighty TI breeze! Talon Arroyo put a strong regatta together—despite hardships like losing his hiking tiller—and finished 7th in the Laser Radials. Jaime Garcia-Ruiz had an excellent first race, taking 2nd in the 4.7 fleet, but as soon as the breeze picked up, his 65 lbs. just didn't match up with the other sailors. He managed to keep up, and all the coaches were impressed at how well he could dry-capsize and right the boat! Cailen Stepanek had another great weekend, finishing 10th out of a very competitive 17 boat Opti fleet.

The best news is that all of our racers had such a great time over the summer that they're joining us again in the fall!

~Liz Rountree, Race Team Coach

2007 Calendar of Events

April 28 **TISC Opening Day, Treasure Island**
Learn more about TISC and enjoy free boat rides!

June 23-24 **Summer Sailstice Regatta, Treasure Island**
Race in the regatta or simply join in on the party!

October 5 **BIG Team Regatta, OCSC in Berkeley**
Organize a team to race on a J24—no experience required!



Spring Youth Sailing Classes
Beginner Level

Session Fee: $100
Scholarships are available

Saturdays, 10am - 2pm
Session 1: March 24, 31, April 14, 21
Session 2: April 28, May 5, 12, 19
Session 3: May 26, June 2, 9, 16

Wednesdays, 4pm-7pm
April 25, May 2, May 9, May 16, May 23

Summer Youth Sailing Classes
June 18—August 17

Details available soon!

Contact Amy Lyons to register or for more information:
youthsailing@tisailing.org or 415-421-2225

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San Francisco, CA 94130

Peter Summerville
410 Avenue of Palms Bldg 1, 2nd
Floor
San Francisco, CA 94130

The Treasure Island Development Authority presents:

Treasure Island Electronic Waste Recycling Day

January 20, 2007 - 9 AM to 2 PM

Building 180 - California Avenue and Avenue C on Treasure Island



While computers and electronic devices are safe to use, they do contain some environmentally sensitive materials that can pollute our soil and drinking water if not disposed of correctly.

The Island community and San Francisco residents are encouraged to take this opportunity to responsibly dispose of all old or broken computers, electronics, batteries and more FOR FREE.

The following items, working and non-working, will be accepted:

By Goodwill:

- Computers
- Monitors
- Printers
- Peripheral computer devices (keyboards, memory boards, etc.)
- Televisions
- Electronics
- CD/DVD players
- Telephones
- Cell phones
- Small electrical appliances

By Department of the Environment:

- Batteries:
  - AA, AAA, C, D, and 9-volt
  - Laptop and cell phone
  - All rechargeables and alkalines
  - NO AUTOMOTIVE BATTERIES!
- Fluorescent lights:
  - Compact fluorescent lights
  - Flourescent tubes (4 ft, 8 ft, etc.)
  - NO BROKEN LIGHTS OR BULBS!
- Used motor oil and oil filters
  - 20 gallon limit per customer, no containers larger than 5 gallons

Please contact the Treasure Island Development Authority for more information
Phone: (415) 274-0660 or e-mail: Peter.Summerville@sfgov.org

Additional sponsorship and invaluable assistance provided by:

SF Environment
Our home. Our city. Our planet.
A Department of the City and County of San Francisco

Goodwill
SAN FRANCISCO | SAN MATEO | MARIN

Department of Toxic Substances Control

Preventing environmental damage from hazardous waste, and restoring contaminated sites for all Californians.

State of California

California Environmental Protection Agency

Fact Sheet, December 2006

Public Comment Period Announced for Treasure Island Site 12

The Department of Toxic Substances Control (DTSC) is announcing a 34-day public comment period on a cleanup document titled, *Action Memorandum / Interim Remedial Action Plan: Non-Time Critical Removal Action for Solid Waste Disposal Areas, Installation Restoration Site 12, Old Bunker Area, Naval Station Treasure Island, San Francisco, California* (AM/IRAP). The AM/IRAP addresses four contaminated Solid Waste Disposal Areas (SWDAs) totaling approximately seven acres located in a residential area at the former Naval Station Treasure Island (NAVSTA TI).

By doing this proposed cleanup, the Navy will substantially eliminate exposure to hazardous substances for current and future residents and utility workers in this area. The remedy proposes excavation of the upper four feet of contaminated soil and debris and off-site disposal at permitted landfills. The contamination identified at the SWDAs include lead, polychlorinated biphenyls, polycyclic aromatic hydrocarbons and dioxins in all four SWDAs, and methane in soil gas in a localized area at one SWDA.

This fact sheet provides you with a brief summary of the AM/IRAP, where you can find additional information and public participation activities.

PUBLIC COMMENT PERIOD AND PUBLIC MEETING

A 34-day public comment period on the *Action Memorandum/Interim Remedial Action Plan: Non-Time Critical Removal Action for Solid Waste Disposal Areas, Installation Restoration Site 12*, and supporting documentation will begin December 27, 2006 and ends on January 29, 2007. DTSC will consider and respond to all public comments.

Please mail written comments to Mr. Henry Wong, Project Manager, 700 Heinz Avenue, Berkeley, California 94710. Comments may also be sent via e-mail to hwong@dtsc.ca.gov. All mailed and e-mailed comments must be received no later than 5:00 PM, January 29, 2007.

PUBLIC MEETING

DTSC will hold a public meeting to explain this project to the interested community members, answer questions, and receive public comments on Wednesday, January 17, 2007 at 7:00 PM at the Casa de la Vista on Avenue of the Palms, Treasure Island. For questions regarding the public participation and the public meeting, please contact Richard Perry at (510) 540-3910 or e-mail rperry@dtsc.ca.gov.

What is the History of the Treasure Island Housing Area?

The NAVSTA TI housing area consists of 904 housing units built on the northern part of Treasure Island from the 1960s to the 1980s. Most of this area was used as a parking lot that was originally constructed for the 1939 to1940 Golden Gate International Exposition. After the Navy took over the islands in late 1940, and until the 1960s, the area remained largely open space and was used for bunker storage of munitions and other materials, vehicle and equipment storage, recreational playing fields, and disposal and burning of discarded materials.

During this period, the Navy generated a variety of waste materials from base operations on NAVSTA TI. Operations included training, demolition and construction of facilities, maintenance, transportation, and ship repair and refurbishing. Before the existence of many of today's environmental laws governing the handling of waste materials, some of these materials were disposed of in several areas on NAVSTA TI. Disposed materials included debris such as wood, glass, metals, and petroleum wastes. Some of this debris was also burned creating ash material. During construction of the housing in 1967, the waste material and burned debris were mixed with the soil and scattered during land grading activities into portions of the housing area. Although much has been learned through site investigations, the full extent of contamination is unknown.

Environmental Investigations

The Navy established the Installation Restoration Program in 1981 to investigate and cleanup sites under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Environmental investigations and cleanup began on NAVSTA TI in the mid-1980s and continue today. To date, the Navy has identified 33 Installation Restoration sites on NAVSTA TI. The steps to the CERCLA process include the following:

Preliminary Assessment/Site Inspection – An initial review of the site conditions including review of historic records and visual inspections. Sampling and analysis of soil, surface water, and/or groundwater may occur to determine whether further investigations are needed.

Remedial Investigation – A closer look including further samples to characterize and delineate contaminants, and assess potential risk to human health and the environment.

Feasibility Study – Using the results and recommendations from the Remedial Investigation report, cleanup alternatives are developed and evaluated based on nine specific criteria as provided in the National Oil and Hazardous Substances Pollution Contingency Plan.

Engineering Evaluation/Cost Analysis (EE/CA) – A document similar to the Remedial Investigation and Feasibility Study reports, only streamlined. An EE/CA is prepared in order to complete a non-time-critical removal action.

Proposed Plan – A fact sheet that describes the cleanup alternatives evaluated in the Feasibility Study and explains the preferred cleanup alternative. The Proposed Plan is provided to the public and a public meeting is held for information and comment regarding the cleanup alternatives.

Record of Decision / Remedial Action Plan – The selected cleanup alternative is documented and publicized in this document.

Remedial Design – A design for implementing the selected cleanup alternative is prepared. A fact sheet is sent to the public before the Navy begins work on the cleanup.

Remedial Action – The cleanup solution is carried out and the public is kept informed.

What Is the Current Proposal?

The proposed cleanup consists of site preparation, radiological soil screening, excavation of contaminated soil and debris, confirmation soil sampling, transportation and disposal of contaminated soil and debris to off-site permitted facilities, and site restoration. About 31,000 cubic yards of contaminated soil and debris will be removed. Approximately1,800 truckloads will leave Treasure Island and transport the waste to off-site permitted landfills.

The Navy proposes to start cleanup activities in February and end all field works by August 2007.

California Environmental Quality Act

DTSC has prepared an Initial Study to evaluate potential impact of the proposed project on the environment. The findings of the Initial Study indicate that the project would not have a significant effect on public health or the environment. Therefore, DTSC has prepared a proposed Negative Declaration for the Installation Restoration Site 12 cleanup. Both the Initial Study and proposed Negative Declaration are also available for review and comment during the public comment period.

Next Steps

The Navy is proposing that work will begin February 1, 2007 and last approximately seven months depending on the weather. The contaminated soil and debris will be transported to off-site permitted landfills.

Information Repositories

The draft AM/IRAP and proposed Negative Declaration are is available for review at:

San Francisco Public Library,
Government Publications Section
100 Larkin Street
San Francisco, California
(Please call for an appointment.)
415-557-4400

Navy Caretaker Support Office
410 Avenue of the Palms
Building 1, Room 161
Treasure Island, California

DTSC File Room:
700 Heinz Avenue
Berkeley, California 94710
(Please call for an appointment.)
510-540-3800

The documents are also available for review online at DTSC's public website, www.dtsc.ca.gov. Just click on the text that says "Cleaning Up Contamination: Find a Site Near You" and type your search request (Treasure Island) in the "Advanced Site Search" area.

ANUNCIO

Si prefiere hablar con alguien en español acerca de ésta información, favor de llamar a Jacinto Soto, Departamento de Control de Substancias Tóxicas. El número de teléfono es 510-540-3842.

NOTICE TO HEARING IMPAIRED INDIVIDUALS

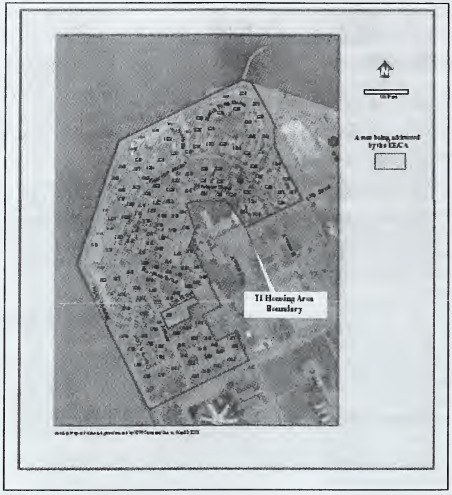
TDD users can obtain information about the Site by using the California State Relay Service at 888-877-5378. Please ask to speak to Richard Perry, DTSC Public Participation Specialist, at 510-540-3910.

FOR MORE INFORMATION

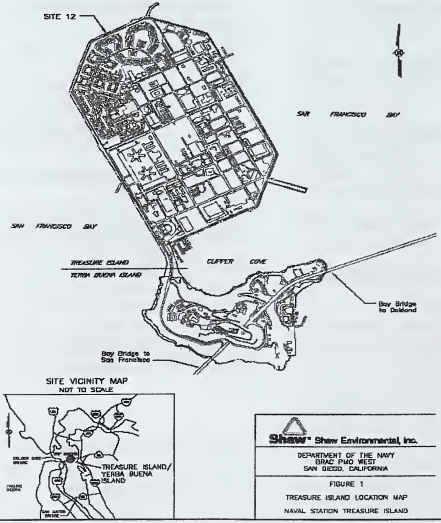
For questions regarding cleanup activities:
Henry Wong
DTSC Remedial Project Manager
700 Heinz Avenue
Berkeley, California 94710
510-540-3770 or hwong@dtsc.ca.gov

For questions regarding public participation:
Richard Perry
DTSC Public Participation Specialist
700 Heinz Avenue
Berkeley, California 94710
510-540-3910 or rperry@dtsc.ca.gov

For media inquiries:
Angela Blanchette
DTSC Public Information Officer
700 Heinz Avenue
Berkeley, California 94710
510-540-3732 or ablanche@dtsc.ca.gov



Housing Area, IR 12



Treasure Island and Yerba Buena Islands

NOTICE OF PUBLIC COMMENT PERIOD AND PUBLIC MEETING

Draft Action Memorandum / Interim Remedial Action Plan
Treasure Island Housing Area, Site 12
Former Naval Station Treasure Island

The U.S. Navy and the Department of Toxic Substances Control (DTSC) invite the public to review and comment on the draft Action Memorandum / Interim Remedial Action Plan (AM/IRAP) for the Treasure Island Housing Area, Site 12, at the former Naval Station Treasure Island. The AM/IRAP proposes cleanup of contaminated soil and debris by excavation and off-site disposal at permitted landfills.

DTSC also invites the public to review and comment on the draft Negative Declaration pursuant to the California Environmental Quality Act (CEQA). The draft Negative Declaration finds that the implementation of the cleanup activities would have no impact to public health and the environment.

34-Day Public Comment Period

December 27, 2006 to January 29, 2007

Please send AM/IRAP comments to
Mr. James B. Sullivan
Navy BRAC PMO West
1455 Frazee Road, Suite 900
San Diego, CA 92108-4310
Fax (619) 532-0983
Phone (619) 532-0966 or e-mail
mailto:james.b.sullivan2@navy.mil

Please send Negative Declaration comments to Mr. Henry Wong, Remedial Project Manager DTSC
700 Heinz Avenue, Berkeley, CA 94710
or email mailto:hwong@dtsc.ca.gov

Comments Due (postmarked) January 29, 2007

DTSC will hold a Public Meeting

Wednesday, January 17, 2007 6:30 p.m.
Casa de la Vista
Building 271, Avenue of the Palms
Treasure Island, CA

DTSC will accept verbal and written comments on the AM/IRAP and Negative Declaration at the meeting.

The Navy and DTSC will carefully consider all comments before making a final decision. The Navy and DTSC will respond to all comments in a Responsiveness Summary section of the final AM/IRAP Amendment.

Where can I find more information?

Copies of the draft AM/IRAP and draft Negative Declaration are available for public review at the information Repositories listed below.

San Francisco Public Library
100 Larkin Street, 5th Floor

Government Publications Section
San Francisco, California
(415) 557-4400

Navy Caretaker Support Office
410 Avenue of the Palms
Building 1, Room 161
Treasure Island, California
(415) 743-4704

DTSC File Room
700 Heinz Avenue
Berkeley, California
(510) 540-3800

The draft AM/IRAP and draft Negative Declaration are also available at:

http://www.envirostor.dtsc.ca.gov/public/profile_report.asp?global_id=38370044&cmd=community_involvement

If you would like to discuss this project with a DTSC representative, please contact Mr. Henry Wong, DTSC Remedial Project Manager, at (510) 540-3770 or hwong@dtsc.ca.gov. Public participation and reasonable accommodations, please contact Mr. Richard Perry, DTSC Public Participation Specialist, at (510) 540-3910, toll-free at (866) 495-5651, or rperry@dtsc.ca.gov.

Media inquiries contact: Ms. Angela Blanchette, DTSC Public Information Officer,
(510) 540-3732 or mailto:ablanche@dtsc.ca.gov

Notice to the Hearing Impaired

You can obtain additional information by using the California State Relay Service at 1-888-877-5378 (TDD). Ask them to contact Mr. Richard Perry (916) 255-6683 regarding the Naval Station Treasure Island.

Si desea mas informacion en Espanol, comuniquese con Jesus Cruz, Especialista en Participacion Publica al numero 1-866-495-5651.

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Come help Life Learning Academy celebrate a semester of service and learning!

This past semester, Life Learning Academy students have been busy making the world a better place. They have become role models and agents for change, engaged in a variety of service learning projects to improve the LLA community, the Treasure Island community, and the larger Bay Area community.

When: Tuesday, January 9th from 5:00 to 7:00. Drop by anytime between 5:00 and 7:00 p.m.
Where: Life Learning Academy at 651 8th Street, Treasure Island
What: This event is Open House format. Guests are invited to visit different rooms where students will present posters, videos, or Power Point slideshows detailing their service projects and their own growth and learning. We will also serve light refreshments.

Please RSVP by calling (415) 397-8957 or emailing
lifelearningacademy@gmail.com.

We look forward to seeing you.



Island Times

Environmental Investigation and Cleanup News
Former Naval Station Treasure Island
Winter 2006/2007, Newsletter No. 12

www.navybracpmo.org/bracbases/california/treasure_island

The Navy developed this newsletter to update the community on the environmental program at former Naval Station Treasure Island (NAVSTA TI). NAVSTA TI encompasses both Treasure Island (TI) and Yerba Buena Island (YBI). The Navy established the Installation Restoration (IR) Program in 1981 to investigate and cleanup sites under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Environmental investigations and cleanup under the IR Program and other programs began on NAVSTA TI in the mid-1980s and continue today. The Navy has identified 33 IR sites on TI and YBI and is following the regulatory process of investigating and cleaning up each site. Please share this information with members of your family, friends, and representatives from any local organizations that may benefit. Individuals, businesses, and organizations can receive future newsletters by completing and returning the mailing coupon on the back page of this newsletter. We also welcome your comments on the newsletter.

UPDATE ON THE TREASURE ISLAND HOUSING AREA

The Navy wants to thank the community for your recent input on environmental cleanup alternatives that were being evaluated for the TI Housing Area (referred to in Navy documents as Site 12). The Navy held a public meeting on October 24, 2006. Over 50 community members attended to ask questions and give input on environmental cleanup for the green fenced locations and some adjacent locations in the TI Housing Area. Thanks to input from residents and collaboration from the regulatory agencies, the Navy has a preferred cleanup alternative for portions of the TI Housing Area.

The Navy also held an information meeting on November 29, 2006 to discuss the preferred cleanup alternative and corresponding planned fieldwork. About 30 community members attended the November meeting to talk to the Navy and their contractors about the work plans and anticipated impacts to residents. The Navy and their contractors will begin fieldwork in early 2007. **Residents of the TI Housing Area should look for notices about fieldwork and traffic restrictions in early 2007.** The Navy is making every effort to keep you informed about the project and limit disruptions.

If you have any questions about the project in the TI Housing Area, please contact James Sullivan at (619) 532-0966 or james.b.sullivan2@navy.mil. For copies of recent fact sheets about the TI Housing Area, see the Navy's website at: www.bracpmo.navy.mil/bracbases/california/treasure_island.



A View of the Treasure Island Housing Area

TEAM MEMBER PROFILE
PETE BOURGEOIS

The Navy recently sat down to talk with one of the consultants working on the NAVSTA TI environmental program, Pete Bourgeois. If you attended any of the recent TI Housing Area public meetings, you may have met Pete and talked with him about the planned work.



Pete Bourgeois (left)
Receives an Award of Apreciation from the Navy

NAVY: How long have you been on the TI project? What specifically is your focus on the project?
PETE: I have been working on the TI project for 7 years, first as a Quality Control Manager, and for the past 5 years as a Project Manager. For the last 2 years, I have also been the Base Coordinator for Shaw Environmental and Infrastructure, Inc [Shaw].

NAVY: How long have you been with your company?
PETE: I have worked for Shaw and the company they bought, IT Corporation, for 17 years.

NAVY: Where did you go to school?
PETE: I went to school at University of California at Santa Barbara. I have a B.S. in Geology and a B.A. in Environmental Science.

NAVY: What do you like best about the TI project?
PETE: I like the many different types of projects that we have completed on TI, including petroleum, CERCLA, time-critical removals, non-time critical removals, etc. I have to say that I enjoy the team that TI has had. I don't think I have worked with a group of professionals, (i.e. agency representatives, Navy representatives, city representatives, and other contractors), that are as goal oriented as this team has been.

NAVY: What do you find challenging or rewarding about your job/this project?
PETE: Completing a task or project on time, under budget, and safely providing the client a service that helps them with their final goal is challenging and rewarding. For TI the goal is to complete the environmental issues and bring the sites to closure.

NAVY: What do you like to do in your free time?
PETE: I try to keep myself outdoors as much as possible. I play competitive tennis and enjoy playing golf. I like going camping and hiking with my two "kids" – Dallas my yellow Labrador and Guinness my Bernese mountain dog. I love to travel and I'm always looking for new and exciting places to visit throughout the world. I also finished my culinary academy training 2 years back and enjoy cooking when time allows.



Treasure Island during construction in the 1930's

ASBESTOS-CONTAINING MATERIAL AT NAVSTA TI

The Navy has investigated and addressed asbestos at NAVSTA TI. Read on for an explanation of what asbestos is and a description of the Navy's asbestos program.

What is Asbestos?

Asbestos is a naturally occurring mineral made up of tiny bundles of fibers. Asbestos was commonly added to materials used for heat and sound insulation in buildings. The small fibers in asbestos may become airborne when asbestos-containing materials (ACM) are damaged or disturbed. When these fibers get into the air they may be inhaled into the lungs, where they can cause health problems. Asbestos is only a hazard if it is damaged or disturbed.

What Has the Navy Done to Investigate Asbestos at NAVSTA TI?

The Navy has an ACM program at NAVSTA TI. ACM is material that contains more than 1% asbestos. The Navy's policy for ACM is to (1) manage ACM in a manner protective of human health and the environment and (2) comply with all applicable federal, state, and local laws and regulations governing hazards from ACM.

As part of their ACM program, the Navy has conducted several surveys since 1995. Because asbestos is only a health hazard if it is damaged, standard practice is to leave asbestos in place unless it is damaged or accessible, and inspect it regularly to ensure it has not been damaged. In any locations where ACM was found to be damaged or accessible, the Navy removed it, contained it, or otherwise put in place precautions to prohibit access to it.

In leased residential and non-residential buildings, the Navy requires the leasing company to monitor ACM in the building. If you have any questions about ACM, please contact your building manager.

Environmental Program Accomplishments in 2006

At the close of the calendar year, the Navy is looking back at some of the milestones achieved during 2006. Fact sheets and public notices about these milestones have been mailed or posted for the community, and can be found on the Navy's website at www.bracpmo.navy.mil/bracbases/california/treasure_island. A map with site names and locations is on page 5.

✓ **Findings of Suitability to Transfer (FOST)**
A FOST is a document that states certain parcels of property are suitable for transfer. It does not actually transfer the property, but the FOST document is a key milestone in the process. The Navy completed one FOST for portions of TI in February 2006 and one for portions of YBI in March 2006.

✓ **Engineering Evaluation/Cost Analysis (EE/CA)**
An EE/CA evaluates cleanup alternatives for conducting a removal action. In October 2006, the Navy released an EE/CA for portions of Site 12, the TI Housing Area. (See the Housing Area Update on page 1 for more information).

✓ **Remedial Investigations (RI)**
An RI provides a thorough look at a site including taking samples of air, groundwater, and/or soil, and assessing potential risk to human health or the environment. In 2006, the Navy began preparation of RI reports for Sites 6, 21, 24, 30, 32, 33, and 8, 28, 29 and finalized RI reports for Sites 30 and 31.

✓ **Feasibility Studies (FS)**
An FS evaluates site-specific cleanup alternatives. In 2006, the Navy prepared FS reports for Sites 30 and 31.

✓ **Proposed Plan (PP)**
A PP is a fact-sheet style document that states the preferred cleanup alternative for a particular site. In September 2006, the Navy sent the entire community mailing list a PP for Sites 9 and 10 that proposed no action as the preferred alternative to close the site.

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For these documents, and all documents related to environmental cleanup at NAVSTA TI, visit the Navy's Information Repositories, located at the following addresses:

Navy BRAC PMO Office
410 Palm Avenue, Building 1, Room 161
Treasure Island, San Francisco, CA 94130
(415) 743-4704
Monday through Friday 8:30 a.m. – 4:30 p.m.
OR
San Francisco Public Library
Government Publications Section, 5th Floor
100 Larkin Street, San Francisco, CA
(415) 557-4400
Call for hours

JOIN THE RESTORATION ADVISORY BOARD

The Restoration Advisory Board (RAB) is composed of members of the community who work with the Navy and regulatory agencies to provide input on the environmental restoration of former NAVSTA TI. Regular meetings are held to discuss the progress of the Environmental Cleanup Program. **It is a great opportunity to find out what is going on and to have your voice heard.** RAB meetings are held at 7:00 p.m. on the third Tuesday of every other month at the Casa de la Vista on TI and are open to everyone. Upcoming RAB meetings are currently scheduled for December 19, 2006; February 20, 2007; and April 17, 2007. Stop by! For more information, contact James Sullivan at (619) 532-0966 or send an e-mail to james.b.sullivan2@navy.mil.

BRAC CLEANUP TEAM CONTACT LIST

Name/Title	Organization	Phone/Fax	Address	E-mail
James Sullivan BRAC Environmental Coordinator	Navy BRAC Program Management Office West	(619) 532-0966 (415) 743-4704 Fax: (619) 532-0983	1455 Frazee Rd. Suite 900 San Diego, CA 92108	james.b.sullivan2@navy.mil
Charles Perry Lead Remedial Project Manager	Navy BRAC Program Management Office West	(619) 532-0911 Fax: (619) 532-0983	1455 Frazee Rd. Suite 900 San Diego, CA 92108	charles.l.perry@navy.mil
Jill Votaw Public Affairs Officer	Navy BRAC Program Management Office West	(619) 532-0941 Fax: (619) 532-0983	1455 Frazee Rd. Suite 900 San Diego, CA 92108	jill.votaw@navy.mil
Richard Perry Public Participation Specialist	California EPA Department of Toxic Substances Control	(510) 540-3910 Fax: (510) 849-5285	700 Heinz Ave. Suite 200 Berkeley, CA 94710	rperry@dtsc.ca.gov
Henry Wong Project Manager	California EPA Department of Toxic Substances Control	(510) 540-3770 Fax: (510) 849-5285	700 Heinz Ave. Suite 200 Berkeley, CA 94710	hwong@dtsc.ca.gov
Agnes Farres Project Manager	California EPA Regional Water Quality Control Board	(510) 622-2401	1515 Clay St. Suite 1400 Oakland, CA 94612	afarres@waterboards.ca.gov
Christine Katin Project Manager	California EPA Department of Toxic Substances Control	(415) 972-3112 Fax: (415) 947-3520	75 Hawthorne St. SFD-8-1 San Francisco, CA 94105	katin.christine@epa.gov

NAVSTA TI IR PROGRAM SITE MAP



NAVSTA TI Mailing Coupon

If you would like to be added to the NAVSTA TI mailing list and receive copies of future newsletters and fact sheets, please fill out the coupon below and mail it to:

James Sullivan
Navy BRAC PMO West
410 Palm Avenue
Building 1, Room 161
Treasure Island, San Francisco, CA 94130-1806

Name _____

Address _____

City _____ State _____ Zip _____

E-mail Address _____

☐ ADD MY NAME TO THE MAILING LIST ☐ DELETE MY NAME FROM THE MAILING LIST



James Sullivan
Navy BRAC PMO West
410 Palm Avenue
Building 1, Room 161
Treasure Island
San Francisco, CA 94130-1806



Secretary/Webmaster
Peter Summerville
Treasure Island Development Authority
410 Palm Ave. Bldg. 1, 2 FL
San Francisco, CA 94130



Mayor Gavin Newsom
Supervisor Tom Ammiano
Supervisor Bevan Dufty
The San Francisco Arts Commission
The Harvey Milk City Hall Memorial Committee

Invite you to a reception to view the proposals submitted for the

HARVEY MILK CITY HALL MEMORIAL SCULPTURE COMPETITION

Reception: Wednesday, January 10, 2007

5:30 p.m to 7:30 p.m.

Exhibition of maquettes:
Wednesday, January 10th through Friday, January 12th
and Tuesday, January 16th

8:00 a.m. to 8:00 p.m.

San Francisco City Hall, Van Ness Lobby
1 Dr. Carlton B. Goodlett Place

Special acknowledgements for their generosity and support:
The Bob Ross Foundation,
and
The San Francisco Lesbian, Gay, Bisexual, Transgender Pride Celebration Committee

The proposals have been designed by the following three finalists:
The Daub, Firmin, Hendrickson Sculpture Group; Cedric Wentworth; Bruce Wolfe

For questions, please call Milk Memorial Co-Chair Dan Nicoletta
415-665-5930

[Grant Agreement with the Municipal Transportation Agency Regarding the Expenditure and Administration of Grant Funds for the Treasure Island Ferry Terminal Project.]

Resolution Authorizing the Director of Island Operations to Execute a Grant Agreement with the Municipal Transportation Agency Regarding the Expenditure and Administration of Grant Funds for the Treasure Island Ferry Terminal Project.

WHEREAS, Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America ("the Federal Government"); and,

WHEREAS, Treasure Island was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, In 1995, the General Services Administration and the Bureau of Land Management determined that Yerba Buena Island was surplus to the Federal Government's needs and could be transferred to the administrative jurisdiction of the Department of Defense under the Base Closure and Realignment Act of 1990 and disposed of together with Treasure Island; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter

1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under California Redevelopment Law (Sections 33000 et seq. of the Health and Safety Code) with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency for Treasure Island in 1997; and,

WHEREAS, The Development Plan and Term Sheet for redevelopment of the Base, which has been endorsed by the Authority and the Board of Supervisors in October and December 2006 respectively, contemplates the development of a new ferry terminal on the west side of Treasure Island (the "Ferry Project"); and,

WHEREAS, The City and County of San Francisco, acting by and through its Municipal Transportation Agency ("MTA"), has received two grants from the Federal Transit Administration ("FTA") of the U.S. Department of Transportation in the amounts of $879,000 and $800,000 to further plan and implement the Ferry Project; and,

WHEREAS, Under FTA requirements, MTA may provide FTA funds to the Authority under a written agreement passing through grant requirements to the Authority as a subgrantee; and,

WHEREAS, Article V, Section 2(k) of the Authority's Bylaws authorizes the Authority to contract with governmental agencies, including without limitation, any department, commission or agency of the City, for the performance of services in furtherance of and related to the purposes of the Authority; and,

WHEREAS, Authority staff proposes to enter into a Grant Agreement with the MTA under which the MTA will disburse to the Authority FTA grant funds relating to the Ferry Project and provide certain administrative services in connection with the FTA grants, and the MTA will receive a fee equal to $105,000; now, therefore, be it

RESOLVED, That the Board of Directors hereby approves and authorizes the Director of Island Operations to enter into a Grant Agreement with the MTA in substantially the form attached hereto as Exhibit A; and, be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into any additions, amendments or other modifications to the Grant Agreement that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Grant Agreement, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on January 10, 2007.

_____
John Elberling
Secretary

AVERY™ RECYCLED PAPER MADE FROM 35% POST CONSUMER CONTENT

FTA Grant Nos.:
CA-90-Y-348
CA-90-Y-124

GRANT AGREEMENT

Between the

CITY AND COUNTY OF SAN FRANCISCO,
through its
MUNICIPAL TRANSPORTATION AGENCY

and

TREASURE ISLAND DEVELOPMENT AUTHORITY

REGARDING THE EXPENDITURE AND ADMINISTRATION OF GRANT FUNDS FOR THE TREASURE ISLAND FERRY TERMINAL PROJECT
(the "Project")

This Agreement is made this _____ day of _____, 2006, in the City and County of San Francisco, State of California, by and between: the Treasure Island Development Authority, a public body corporate and politic ("TIDA" or "Subgrantee"), and the City and County of San Francisco, a municipal corporation, acting by and through its Municipal Transportation Agency ("City" or "MTA").

RECITALS

A. In 1993, Naval Station Treasure Island ("NSTI") consisting of both Treasure Island and portions of Yerba Buena Island, was designated for Base Realignment and Closure and ceased active operation in 1997. The United States Navy maintains NSTI in caretaker status, pending disposal and reuse of the property, while a small portion of Yerba Buena Island continues to function as an active United States Coast Guard (USCG) Station.

B. TIDA has been designated a community redevelopment agency under the California Community Redevelopment Law (Sections 33000 et. seq. of the California Health and Safety Code) and is the local reuse authority for purposes of the redevelopment and conversion of NSTI to productive civilian uses.

C. The proposed plan for redevelopment of NSTI contemplates the development of a ferry terminal on the west side of Treasure Island (the "Project").

D. MTA has received two grants from the Federal Transit Administration ("FTA") of the U.S. Department of Transportation which contain funding for the Project: Grant No. CA-90-Y348-01 contains funding in the amount of $800,000, and Grant No. CA-90-Y124-00 contains funding for the Project in the amount of $879,000 (cumulatively, the "Project Grants") Under FTA requirements, MTA may provide FTA funds to TIDA under a written agreement passing through grant requirements to TIDA as a subgrantee. The Project Grants are expressly intended to further plan and implement the Project. The matching funds required under the Project Grants are $200,000 and $219,750, respectively. A general description of the Project Grants is attached hereto as Exhibit A.

E. MTA and TIDA are entering into this Agreement to ensure compliance with FTA requirements for the administration of the Project Grants, and to reimburse MTA for its costs in connection with administration of the Project Grants. The parties intend to work cooperatively to provide information and supporting documents necessary to sustain the efficient flow of funds and support the efficient development of the Project.

F. The parties understand that all encumbrances and disbursements from the Grants are subject to the approval of the Controller of the City.

In accordance with the above understandings, MTA and TIDA agree as follows:

I. Term; Effective Date

A. Term. This Agreement will commence on the Effective Date and terminate when all of the funds from the Project Grants have been disbursed and all FTA reporting requirements have been complied with, but in no event later than nine (9) years and six (6) months after the Effective Date.

B. Effective Date. This Agreement will become effective on January 1, 2007.

II. MTA Responsibilities

A. Disbursement of Grant Funds. Upon approval of the City's Controller, and provided that a proportionate amount of all matching funds required under the Project Grants for

the first disbursement are in place, MTA, in consultation with TIDA, will develop a Project budget. MTA will disburse funds to TIDA's Project account as costs are incurred, subject to (1) adequate documentation and (2) compliance with the terms and conditions of the FTA Grant Agreements, and (3) compliance with TIDA's responsibilities, as set forth below.

B. Allowable Costs. The City will reimburse Subgrantee for those services and expenses required to perform the work in accordance with the Project budget. Reimbursement will be in accordance with the cost principles set forth in Office of Management and Budget Circular A-87, Revised, "Cost Principles Applicable to Grants and Contracts with State and Local Governments."

C. Scope of Services. MTA will provide required administrative services to TIDA in connection with the Project Grants. These services may include, but not be limited to, accounting services, financial services, contract administration, grants administration, services of its Contract Compliance Office, including administration of DBE matters, legal services, and other administrative services ("administrative services"). MTA may also provide engineering, estimating, and other technical professional services, upon request of TIDA ("technical services").

D. Project Manager. MTA will designate one individual to be its Project Manager for all TIDA activities involving the Project Grants. The Project Manager's primary responsibility will be to ensure compliance with all requirements of the Project Grants, and will provide counsel and advice to TIDA on grant issues, City policies, and federal regulations. The Project Manager may enlist and utilize other MTA resources or staff personnel as necessary to carry out such work and perform the administrative and technical services described in Section C above.

E. MTA Reimbursement for Administrative Services. For all administrative services performed for TIDA under this Agreement, MTA agrees to receive a fee equal to One Hundred Five Thousand Dollars ($105,000), which is five percent (5%) of the total amount of the Project Grants. TIDA agrees that it will use funds other than Project Grant funds and required local matching funds to reimburse MTA in the above amount. Within thirty (30) days from the Effective Date of this Agreement, TIDA agrees to remit to MTA Ten Thousand Dollars ($10,000) as a partial payment of administrative costs. Within thirty (30) days after TIDA notifies MTA that TIDA has commenced preparing the Request for Proposals (RFP) for the Project, TIDA agrees to remit to MTA Forty Thousand Dollars ($40,000) as a partial payment of administrative costs. Within thirty (30) days after the first contract for the Project is awarded, TIDA agrees to remit to MTA a final payment of administrative costs in the amount of Fifty-Five Thousand Dollars ($55,000).

F. MTA Reimbursement for Technical Services. Upon receipt of a request from TIDA for technical services, the Project Manager will prepare and submit an estimate of MTA's reimbursable costs for TIDA approval. No MTA assistance will be provided prior to approval of the estimate by TIDA. MTA will not perform work in excess of the amount approved by TIDA unless MTA receives written authorization from TIDA.

G. Reporting. MTA will submit to TIDA, on a quarterly basis, a report of its activities performed and billed to TIDA during the preceding quarter relating to this Agreement. TIDA will raise any objections it may have to a report within thirty (30) days of receipt of the report.

H. Procedures. MTA staff, after consultation with TIDA, will be responsible for preparing procedures to implement the provisions of this Agreement. The procedures will include processes for billing, accounting, encumbrance and disbursement of funds, tracking of time, and other such functions.

III. TIDA Responsibilities

A. Subgrantee. TIDA will be a subgrantee, responsible for compliance with all applicable provisions of the FTA Master Agreement (FTA MA 10), dated October 1, 2005, Federal Fiscal Year 2006 Certifications and Assurances for FTA Assistance Programs, the grant application, and all applicable laws and regulations, using sound management practices. Every provision of FTA MA(10) and the Certifications and Assurances, as they may be amended from year to year, are incorporated by reference and will govern TIDA's expenditure of all funds under the Project Grants, as well as expenditure of local matching funds required to fulfill the obligations of the Project Grants. Until TIDA transfers all of the required local matching funds ($419,750 for both Grants) to the MTA so that they can be booked in the Project budget, TIDA will only be entitled to receive Project Grant funds in an amount that is proportionate to the required local matching funds actually booked with the MTA in the Project budget.

B. Procurement of Goods and Services. TIDA certifies that it will procure goods and services as necessary for the Project consistent with the requirements of 49 CFR Part 18, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," Circular 4220.1E of the FTA, FTA MA 10, and applicable FTA Certifications and Assurances. Annually, as required by MTA's Contract Compliance Office, TIDA will provide a list of all procurements planned for the following federal fiscal year that will be funded in whole or in part by the Project Grants. Additionally, TIDA will provide MTA with a monthly report on the status of such procurements. MTA reserves the right to review and advise on any such procurement, or portion of a procurement.

C. Reports. TIDA will provide MTA with all required quarterly Narrative and Financial Reports within thirty (30) calendar days after each reporting period. The reporting periods will end December 31, March 31, June 30 and September 30. Narrative Reports will contain the following information: a description of the work completed during the period; tasks expected to be performed during the next period; major project milestones, changes to milestones, and reasons for the changes; and explanations of problems or delays encountered or anticipated. Financial reports will include a balance sheet and a project expenditure statement by line item code.

D. Approval of Invoices. In the event that MTA provides technical services pursuant to TIDA's request, TIDA will, within thirty (30) days of receipt, approve payment of quarterly invoices submitted by MTA for work that is within the amounts of the approved estimate.

E. Recordkeeping. Unless otherwise directed by MTA, TIDA will maintain the original records of all procurements, payments and contract expenses in the form required by federal regulations and FTA grant requirements during the term of this Agreement, and for a period of three years thereafter. TIDA will allow MTA to review and inspect said records during business hours to ensure compliance with such requirements, and to audit the books, records, and accounts of TIDA and its contractors, if necessary. Upon request, TIDA will provide MTA with copies of any records in its files relating to procurements and other expenditures using funding from the Project Grants. TIDA agrees to extend these rights of review, inspection and audit to the Secretary of Transportation and the Comptroller General of the United States, or their authorized representatives.

F. Audit. TIDA will provide thorough and complete accounting for all funds expended in the performance of the Project to the extent that such funds are provided by MTA through the Grants, consistent with 49 C.F.R. Section 18.37(b). TIDA will be responsible for meeting audit requirements of the "Single Audit Act of 1984" as implemented by OMB Circular A-128, as it may be revised from time to time.

G. Disallowance. Subgrantee agrees that if it claims or receives payment of Grant funds from City for an expense, payment or reimbursement of which is later disallowed by the federal government, Subgrantee will promptly refund the disallowed amount to City upon City's request. At its option, City may offset all or any portion of the disallowed amount against any other payment due to Subgrantee hereunder. Any such offset with respect to a portion of the

disallowed amount will not release Subgrantee from its obligation under this section to refund the remainder of the disallowed amount.

IV. CERTIFICATION; APPROPRIATION OF FUNDS

A. Risk of Non-Appropriation of Grant Funds. This Agreement is subject to the budget and fiscal provisions of the federal government and the City Charter. City will have no obligation to make appropriations for this Agreement should the federal government fail to appropriate the Grant funds. Subgrantee also acknowledges that City budget decisions are subject to the discretion of its Mayor and Board of Supervisors. Subgrantee assumes all risk of possible non-appropriation or non-certification of funds, and such assumption is part of the consideration for this Agreement.

B. Certification of Controller; Guaranteed Maximum Costs. No funds will be available under this Agreement until prior written authorization certified by the Controller. In addition, as set forth in Section 21.10-1 of the San Francisco Administrative Code:

1. City's obligations hereunder will not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification.

2. Except as may be provided by City ordinances governing emergency conditions, City and its employees and officers are not authorized to request Subgrantee to perform services or to provide materials, equipment and supplies that would result in Subgrantee performing services or providing materials, equipment and supplies that are beyond the scope of the services, materials, equipment and supplies specified in this Agreement unless this Agreement is amended in writing and approved as required by law to authorize the additional services, materials, equipment or supplies. City is not required to pay Subgrantee for services, materials, equipment or supplies that are provided by Subgrantee which are beyond the scope of the services, materials, equipment and supplies agreed upon herein and which were not approved by a written amendment to this Agreement having been lawfully executed by City.

3. City and its employees and officers are not authorized to offer or promise to Subgrantee additional funding for this Agreement which would exceed the maximum amount of funding provided for herein. Additional funding for this Agreement in excess of the maximum provided herein will require lawful approval and certification by the Controller. City is not required to honor any offered or promised additional funding which exceeds the maximum provided in this Agreement which requires lawful approval and certification of the Controller when the lawful approval and certification by the Controller has not been obtained.

4. The Controller is not authorized to make payments on any agreement for which funds have not been certified as available in the budget or by supplemental appropriation.

C. Automatic Termination for Non-appropriation of Funds. This Agreement will automatically terminate, without penalty, liability or expense of any kind to City, at the end of any federal fiscal year if funds are not appropriated for the next succeeding federal fiscal year. If funds are appropriated for a portion of any federal fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind to City, at the end of such portion of the federal fiscal year.

V. INDEMNIFICATION

A. General. Subgrantee shall defend, release, hold harmless and indemnify City and its officers and employees from any and all claims for injury or damage to persons and/or property which arise out of the negligent acts or omissions of Subgrantee, its officers and/or employees in the performance of its activities relating to the administration and use of the grant funds received under this Agreement. It is further agreed that City shall defend, release, hold harmless and

indemnify Subgrantee and its officers and employees from any and all claims for injuries and/or damage to persons and/or property which arise out of the negligent acts or omissions of City, its officers and employees in the performance of its activities under this Agreement. In the event of concurrent negligence of Subgrantee, its officers and employees, and City and its officers and employees, the liability for any and all claims for injuries or damage to persons and/or property shall be apportioned under the California theory of comparative negligence as presently established or as may hereafter be modified.

B. Limitation On Liability Of City. CITY'S OBLIGATIONS UNDER THIS AGREEMENT WILL BE LIMITED TO THE AGGREGATE AMOUNT OF THE PROJECT GRANTS ACTUALLY DISBURSED HEREUNDER. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED IN THIS AGREEMENT, IN NO EVENT WILL CITY OR SUBGRANTEE BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, THE PROJECT GRANTS, OR ANY ACTIVITIES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

VI. EVENTS OF DEFAULT

A. General. The occurrence of any one or more of the following events will constitute an "Event of Default" under this Agreement:

1. False Statement. Any statement, representation or warranty contained in this Agreement, or in any other document submitted to City under this Agreement is found by City to be false or misleading.

2. Failure to Comply with Applicable Laws. TIDA fails to perform or breaches any federal, state or local law or regulation applicable to this Agreement.

3. Failure to Perform Other Covenants. TIDA fails to perform or breaches any other agreement or covenant of this Agreement to be performed or observed by Subgrantee as and when performance or observance is due and such failure or breach continues for a period of thirty (30) days after TIDA's receipt of written notice of such failure or breach or, if the failure or breach cannot be cured within such thirty (30) day period, such longer period as is necessary to cure the failure or breach so long as TIDA commences the cure within such thirty (30) day period and diligently prosecutes such cure to completion.

4. Voluntary Insolvency. Subgrantee (i) is generally not paying its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Subgrantee or of any substantial part of Subgrantee's property or (v) takes action for the purpose of any of the foregoing.

5. Involuntary Insolvency. Without consent by Subgrantee, a court or government authority enters an order, and such order is not vacated within ten (10) days, (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Subgrantee or with respect to any substantial part of Subgrantee's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Subgrantee.

B. Remedies Upon Event of Default. Upon and during the continuance of an Event of Default, City may do any of the following, individually or in combination with any other remedy:

1. Termination. City may terminate this Agreement by giving a written termination notice to Subgrantee and, on the date specified in such notice, this Agreement will terminate and all rights of Subgrantee hereunder will be extinguished. In the event of such termination, Subgrantee will be paid for eligible expenses relating to the Project that were submitted and approved by City prior to the date of termination specified in such notice.

2. Withholding of Grant Funds. City may withhold all or any portion of Grant funds not yet disbursed, regardless of whether Subgrantee has previously submitted a request for such funds or whether City has approved the disbursement of the Grant funds under a prior request for such funds. Any Grant funds withheld pursuant to this Section and subsequently disbursed to Subgrantee after cure of applicable Events of Default will be disbursed without interest.

3. Return of Grant Funds. City may demand the immediate return of any previously disbursed Grant funds that have been claimed or expended by Subgrantee in breach of the terms of this Agreement, together with interest thereon from the date of disbursement at the maximum rate permitted under applicable law.

4. Remedies Nonexclusive. Each of the remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The remedies contained herein are in addition to all other remedies available to City at law or in equity by statute or otherwise and the exercise of any such remedy will not preclude or in any way be deemed to waive any other remedy.

VII. Notices to the Parties

Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, e-mail or by fax, and will be addressed as follows:

To City: Municipal Transportation Agency
1 South Van Ness Avenue, 7th floor
San Francisco, CA 94103
Attn: Jerry Levine
jerry.levine@sfmta.com
fax: (415) 701-4337

To Contractor: Mayor's Office of Base Reuse and Development
City Hall, Room 448
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Attn: Jack Sylvan, Project Manager
jack.sylvan@sfgov.org
Fax: (415) 554-6018

with a copy to: Treasure Island Development Authority
410 Palm Avenue, Building One
San Francisco, CA 94130
Attn: Mirian Saez, Director of Island Operations

mirian.saez@sfgov.org
Fax: (415) 274-0299

Any notice of default must be sent by registered mail.

VIII. OTHER CONDITIONS

A. No Assignment by Subgrantee. Subgrantee will not, either directly or indirectly, assign, transfer, hypothecate, subcontract or delegate all or any portion of this Agreement or any rights, duties or obligations of Subgrantee hereunder without the prior written consent of City. This Agreement will not, nor will any interest herein, be assignable as to the interest of Subgrantee involuntarily or by operation of law without the prior written consent of City. A change of ownership or control of Subgrantee or a sale or transfer of substantially all of the assets of Subgrantee will be deemed an assignment for purposes of this Agreement. **Any agreement made in violation of this Section will confer no rights on any person or entity and will automatically be null and void.**

B. Sunshine Ordinance. Subgrantee acknowledges and agrees that this Agreement is subject to Section 67.24(e) of the San Francisco Administrative Code, which provides that contracts, including this Agreement, grantee's bids, responses to Requests for Proposals and all other records of communications between City and persons or entities seeking contracts, will be open to inspection immediately after a contract has been awarded. Nothing in such Section 67.24(e) (as it exists on the date hereof) requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. All information provided by Subgrantee that is covered by such Section 67.24(e) (as it may be amended from time to time) will be made available to the public upon request.

C. Modifications. This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in as required under law.

D. Submitting False Claims; Monetary Penalties. TIDA acknowledges and agrees that it is subject to San Francisco Administrative Code Section 21.35. Under such Section 21.35, any contractor, subgrantee or consultant who submits a false claim will be liable to City for three times the amount of damages which City sustains because of the false claim. A contractor, subgrantee or consultant who submits a false claim will also be liable to City for the costs, including attorney's fees, of a civil action brought to recover any of those penalties or damages, and may be liable to City for a civil penalty of up to ten thousand dollars ($10,000) for each false claim. A contractor, subgrantee or consultant will be deemed to have submitted a false claim to City if the contractor, subgrantee or consultant: (a) knowingly presents or causes to be presented to an officer or employee of City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by City; (c) conspires to defraud City by getting a false claim allowed or paid by City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to City; or (e) is a beneficiary of an inadvertent submission of a false claim to City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to City within a reasonable time after discovery of the false claim.

E. Independent Contractor. Subgrantee will be deemed at all times to be an independent contractor and is solely responsible for the manner in which Subgrantee uses the Grant funds. Subgrantee will at all times remain solely liable for the acts and omissions of Subgrantee, its officers and directors, employees and agents. Nothing in this Agreement will be

construed as creating a partnership, joint venture, employment or agency relationship between City and Subgrantee.

F. Earned Income Credit (EIC) Forms. Administrative Code section 12O requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found.

1. Subgrantee will provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty (30) days following the date on which this Agreement becomes effective (unless Subgrantee has already provided such EIC Forms at least once during the calendar year in which such effective date falls); (ii) promptly after any Eligible Employee is hired by Subgrantee; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement.

2. Failure to comply with any requirement contained in subparagraph (a) of this Section will constitute a material breach by Subgrantee of the terms of this Agreement. If, within thirty (30) days after it receives written notice of such a breach, Subgrantee fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Subgrantee fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law.

3. Any contract entered into by Subgrantee using Grant funds will require the contractor to comply, as to the its Eligible Employees, with each of the terms of this section.

4. Capitalized terms used in this Section and not defined in this Agreement will have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

G. Conflict of Interest. Through its execution of this Agreement, Subgrantee acknowledges that it is familiar with the provision of Section 15.103 of the City's Charter, Article III, Chapter 2 of the City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitutes a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

H. Eligibility to Receive Federal Funds. By executing this Agreement, TIDA certifies that it is not suspended, debarred or otherwise excluded from participation in federal assistance programs. TIDA acknowledges that this certification of eligibility to receive federal funds is a material term of the Agreement.

I. MacBride Principles--Northern Ireland. Pursuant to San Francisco Administrative Code Section 12F.5, City urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. City urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Subgrantee acknowledges and agrees that he or she has read and understood this section

J. Tropical Hardwood and Virgin Redwood Ban. Pursuant to Section 804(b) of the San Francisco Environment Code, City urges all grantees not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

K. Drug-Free Workplace Policy. Subgrantee acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City premises. Subgrantee and its

employees, agents or assigns will comply with all terms and provisions of such Act and the rules and regulations promulgated under such Act.

L. Resource Conservation; Liquidated Damages. Chapter 5 of the San Francisco Environment Code (Resource Conservation) is incorporated herein by reference. Failure by Subgrantee to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract. If Subgrantee fails to comply in good faith with any of the provisions of Chapter 5, Subgrantee will be liable for liquidated damages in an amount equal to Subgrantee's net profit under this Agreement, or five percent (5%) of the total contract amount, whichever is greater. Subgrantee acknowledges and agrees that the liquidated damages assessed will be payable to City upon demand and may be offset against any monies due to Subgrantee from any contract with City.

M. Compliance with ADA. Subgrantee acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity to the public, whether directly or through a grantee or contractor, must be accessible to the disabled public. Subgrantee will not discriminate against any person protected under the ADA in connection with all or any portion of the Project and will comply at all times with the applicable provisions of the ADA.

N. No Waiver. No waiver by the MTA or City of any default or breach of this Agreement will be implied from any failure by the MTA or City to take action on account of such default if such default persists or is repeated. No express waiver by the MTA or City will affect any default other than the default specified in the waiver and will be operative only for the time and to the extent therein stated. Waivers by City or the MTA of any covenant, term or condition contained herein will not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by the MTA or City of any action requiring further consent or approval will not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act.

O. Administrative Remedy for Agreement Interpretation. Should any question arise as to the meaning or intent of this Agreement, the question will, prior to any other action or resort to any other legal remedy, be referred to the Executive Director/CEO of the MTA, who, after consultation with FTA, if required, will decide the true meaning and intent of the Agreement.

P. Governing Law; Venue. The formation, interpretation and performance of this Agreement will be governed by the laws of the State of California, without regard to its conflict of laws principles. Venue for all litigation relative to the formation, interpretation and performance of this Agreement will be in San Francisco.

Q. Headings. All article and section headings and captions contained in this Agreement are for reference only and will not be considered in construing this Agreement.

R. Entire Agreement. This Agreement sets forth the entire Agreement between the parties, and supersede all other oral or written provisions.

S. Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement will not be affected or impaired thereby, and (b) such provision will be enforced to the maximum extent possible so as to effect the intent of the parties and will be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

T. Successors; No Third-Party Beneficiaries. The terms of this Agreement will be binding upon, and inure to the benefit of, the parties hereto and their successors and assigns. Nothing in this Agreement, whether express or implied, will be construed to give any person or entity (other than the parties hereto and their respective successors and assigns) any legal or

equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

U. Survival of Terms. The obligations of Subgrantee and the terms of the following provisions of this Agreement will survive and continue following expiration or termination of this Agreement: Sections III.A, B, E, F, G; V; V.I.B, VII, VIII.E. O-S.

V. Further Assurances. From and after the date of this Agreement, Subgrantee agrees to do such things, perform such acts, and make, execute, acknowledge and deliver such documents as may be reasonably necessary or proper and usual to complete the transactions contemplated by this Agreement and to carry out the purpose of this Agreement in accordance with this Agreement.

This Grant Agreement has been executed in San Francisco, California, as of the date first noted above.

CITY AND COUNTY OF SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY

By:_____
NATHANIEL P. FORD, SR.
Executive Director/CEO

Date:_____

APPROVED AS TO FORM:

DENNIS J. HERRERA
CITY ATTORNEY

BY:_____
Robin M. Reitzes
Deputy City Attorney

TREASURE ISLAND DEVELOPMENT AUTHORITY

By:_____
MIRIAN SAEZ
Director of Island Operations

Date:_____

APPROVED AS TO FORM:

DENNIS J. HERRERA
CITY ATTORNEY

BY:_____
Eileen Malley
Deputy City Attorney

EXHIBIT A

Federal Transit Administration Funding for Planning, Design and Construction of a Treasure Island Ferry Terminal

Temporary Ferry Terminal Grant Project

The Federal Transit Administration has awarded a grant to Muni under CA-90-Y124 for $879,000 to plan and construct a temporary ferry terminal at Treasure Island. The scope of the grant is to design and construct a float that will enable establishment of initial ferry service and provide emergency access at Treasure Island. TIDA will utilize the Temporary Terminal Planning and construction grant to be used for final design and construction of the float. The float would connect to the existing concrete pier at the southeastern corner of Treasure Island (Pier 1) or another temporary location deemed appropriate. The float structure would sit in the water, providing a docking berth for ferry vessels, and providing pedestrian access from the water level. The Water Transit Authority (WTA) is currently utilizing a $150,000 Traffic Congestion Relief Program (TCRP) grant from the State of California to do the preliminary planning and design for the float structure. The current scope of work for the TCRP grant anticipates developing the design for the float to a 35% level.

The float would be used both as an early phase structure supporting interim ferry service and providing temporary emergency access to existing residents, as well as a first phase of ferry terminal development. This first phase capital improvement (the float) would be the base upon which the other necessary improvements would be added for use as a long-term permanent ferry terminal at Treasure Island.

Permanent Ferry Terminal Grant Project

In addition to the float structure, which would facilitate interim and initial phase ferry service, a future permanent ferry terminal will require subsequent capital improvements related to waterside elements such as a breakwater, and landside elements such as fare purchase facilities, potential canopies on the float, covered and/or enclosed passenger waiting facilities, potential bathrooms, basic maintenance facilities, and intermodal transit connections, among other elements. TIDA will use the $800,000 in appropriated funding for a Permanent Ferry Terminal as a second phase of terminal planning, engineering and environmental review. The planning and preliminary engineering would be conducted for the necessary elements for a permanent ferry terminal outlined previously. Specifically, TIDA will use the Permanent Terminal Grant funding for the following activities: evaluation of site constraints and opportunities for terminal design; evaluation of alternative terminal element plans/designs; conceptual planning of waterside and landside terminal elements; development of a preferred waterside and landside terminal plan and design; environmental review of Treasure Island ferry terminal; analysis to confirm that the design meets the requirements of the Transportation Security Act; and, preliminary engineering.

AGENDA ITEM 8 (c)
Treasure Island Development Authority
City and County of San Francisco
Meeting of January 10, 2007

Subject: Resolution Authorizing the Director of Island Operations to Extend The Term of the Month-to-Month Use Permit with the San Francisco Museum and Historical Society for Use of a Portion of Building 449 on a Month-to-Month Basis through November 30, 2007, and to Assess a Monthly Permit Fee Beginning July 1, 2007 and to Delete Inappropriate Insurance Provisions (Action Item)

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

SUMMARY OF PROPOSED ACTION

Authorizing the Director of Island Operations to extend the term of the month to month Use Permit between the Treasure Island Development Authority ("Authority") and the San Francisco Museum and Historical Society for the use of 3,300 square feet of Building 449 on a Month-to-Month basis through November 30, 2007, to assess a monthly permit fee and to delete inappropriate insurance provisions.

BACKGROUND

Prior to 2003, the San Francisco Museum and Historical Society ("SFMHS") stored materials, supplies and objects in approximately 3,300 square feet of Building 449 through an informal no-cost arrangement with the United States Navy. The Navy retains exclusive control of the rest of Building 449 and historic artifacts from the history of Treasure Island are stored in this climate-controlled portion of the building. There is a secure separation between SFMHS area and area controlled by the Navy; however, the Navy continues to store certain historic items, including artillery pieces, in the space occupied by SFMHS.

At the request of the Navy, on July 15, 2003, the portion of Building 449 occupied by SFMHS was licensed to the Authority to allow the Authority to grant SFMHS a formal Use Permit for storage of SFMHS personal property.

Section 10 of the Authority's Rules and Procedures for Transfer of Real Property, delegates to the Executive Director the authority to enter into a month-to-month agreement for a term that does not exceed six months. On July 16, 2003, the Executive Director entered into a month-to-month Use Permit with SFMHS for use of 3,300 square feet in Building 449 for a term of six months. The term of the Use Permit expired on January 15, 2004. On February 11, 2004, the

Authority retroactively approved a month-to-month extension to the Use Permit from January 14, 2004 to January 14, 2005 (the "Extension to Use Permit"). On January 12, 2005, the Authority approved a month-to-month extension of the Use Permit under the same terms and conditions to January 14, 2006 (the "Second Extension to Use Permit"). On January 11, 2006, the Authority approved a month-to-month extension of the Use Permit (the "Third Extension to Use Permit") under the same terms and conditions to January 14, 2007, at which date the Use Permit will expire.

The amendment to the Use Permit currently before the Board would extend the term of the Use Permit on a month-to-month basis through November 30, 2007.

In support of SFMHS's mission to preserve the historic heritage of San Francisco, the Use Permit has been on a no-cost basis. Section 8. **Permit Fees.** of the Use Permit states that the Permittee is not obligated to pay any fee unless the Permittee requests to extend the term beyond January 14, 2004. Recent discussions with the Executive Director of SFMHS have led to a proposal that SFMHS begin to pay for the use of the space commencing their next fiscal year, July 1, 2007. Under the proposal from SFMHS, the monthly fee for the permit would be $800 ($0.24 psf) per month for 3,300 square feet.

In accord with Section 5. **Use of License Area.** SFMHS may enter and use the Premises "as (a) temporary storage area for the sole purpose of storage and indexing of historical items and artifacts relating to the history of the City and County of San Francisco." However, current insurance provisions require the permittee to provide insurance coverage more appropriate to a maritime related uses than a storage use. The inappropriate coverage required is (1.) Protection and Indemnity insurance, with limits not less that $1,000,000 each occurrence arising from the operation of any Vessels, (2.) Coverage for illness, injury or death of the master or members of the crew, with a deductible not to exceed $10,000 each occurrence, (3.) Water Pollution Liability Insurance Coverage, and (4.) Jones Act benefits and U.S. Longshore and Harbor Worker's Act benefits. The proposed amendment would delete these insurance obligations as they have been determined to be inappropriate by the City's Risk Manager.

SFMHS' obligation to provide Personal Injury/Property Insurance, Worker's Compensation Insurance and Automobile Liability Insurance of $1,000,000 will remain unchanged.

STANDING AS A TENANT

SFMHS's use is consistent with the terms of the Use Permit. Insurance is inadequate. SFMHS has provided evidence of Personal Injury/Property Insurance, Automobile Liability and Workers Compensation Insurance consistent with the terms of the Permit. Evidence of Vessel Insurance, master/crew insurance, Water Pollution Liability Insurance, Jones Act, Longshore and Harbor Workers' Act benefits has not been submitted. Amendment of the agreement as recommended will bring SFMHS into compliance with the terms and conditions of the Use Permit.

RECOMMENDATION

Project staff recommends that the Authority Board authorize staff to (1.) extend the term of the Use Permit on a month-to-month basis through November 30, 2007; (2.) assess a monthly permit fee of $800 beginning July 1, 2007; and (3) delete insurance provisions that are inappropriate to the Use of the Premises.

EXHIBITS

A. Fourth Extension to Use Permit between TIDA and the San Francisco Museum and Historical Society

B. Exhibit of Premises

Prepared by Marc McDonald, Facilities Manager
for Mirian Saez, Director of Island Operations

[Extending and Amending the Use Permit with SF Museum and Historical Society]

Resolution Authorizing the Director of Island Operations to Extend the Term of the Month-to-Month Use Permit with the San Francisco Museum and Historical Society for Use of a Portion of Building 449 on a month-to-month basis through November 30, 2007, to Assess a Permit Fee Beginning July 1, 2007, and to Delete Inappropriate Insurance Provisions.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America; and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Authority

as a redevelopment agency under the California Redevelopment Law with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and

WHEREAS, The Tidelands Trust prohibits the sale of trust property into private ownership, generally requires that Tidelands Trust property be accessible to the public and encourages public-oriented uses of Tidelands Trust property that, among other things, attract people to the waterfront, promote public recreation, protect habitat and preserve open space; and

WHEREAS, Acting under Sections 10 and 12 of the Authority's Rules and Procedures for Transfer of Real Property, adopted March 11, 1998, on July 16, 2003 the Executive Director entered into a month-to-month Use Permit with the San Francisco Museum and Historical Society (SFMHS) for use of a portion of Building 449 for a cumulative term of no more than six months; and

WHEREAS, The Board approved a one year extension of the Use Permit at its regular meeting on February 11, 2004, and again at its regular meeting on January 12, 2005, and again at its regular meeting on January 11, 2006; and

WHEREAS, The term of the extension is set to expire on January 14, 2007; and

WHEREAS, The San Francisco Museum and Historical Society wishes to extend term of the Use Permit for a portion of Building 449 on a month-to-month basis through November 30, 2007 for storage and inventory purposes; and

WHEREAS, The San Francisco Museum and Historical Society has offered to pay a Permit Fee of $800 per month beginning July 1, 2007 for the use of the Permit Area; and

WHEREAS, In consideration of the substantial public purposes served by the San Francisco Museum and Historical Society that are of benefit to the residents of the City and County of San Francisco, such offer is appropriate and reasonable; and

WHEREAS, Certain Insurance obligations of SFMHS described in the Use Permit are inappropriate to the Use of the Permit Area; **NOW, THEREFORE, BE IT**

RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to extend the Use Permit with the San Francisco Museum and Historical Society for use of a portion of Building 449 on a month-to-month basis through November 30, 2007; **AND BE IT**

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to accept the offer of the San Francisco Museum and Historical Society to pay a permit fee of $800 per month beginning July 1, 2007 for the use of the Permit Area; **AND BE IT**

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to delete Section 14.1 (iv), Section 14.1 (v) and Section 14.1 (vi) of the Use Permit all in substantially the form attached as Exhibit A; **AND BE IT**

FURTHER RESOLVED, That the Board of Directors hereby finds that (1) entering into the extension will serve the goals of the Authority and the public interests of the City; and (2) the terms and conditions of the extension are economically reasonable.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at the Properly noticed meeting on January 10, 2007.

_____

John Elberling, Secretary

FOURTH EXTENSION TO

USE PERMIT

between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

and

THE SAN FRANCISCO MUSEUM AND HISTORICAL SOCIETY

For the Use of

Portions of Building 449 at
Naval Station Treasure Island
San Francisco, California

January __, 2007

FOURTH EXTENSION TO
TREASURE ISLAND USE PERMIT

THIS FOURTH EXTENSION TO USE PERMIT (the "Extension"), dated as of January __ 2007, is entered into by and between the Treasure Island Development Authority ("Authority") and the San Francisco Museum and Historical Society ("Permittee"). From time to time, Authority and Permittee together shall be referred to herein as the "Parties".

This Extension is made with reference to the following facts and circumstances:

A. On or about July 16, 2003, Authority and Permittee entered into that certain Use Permit agreement (hereafter, the "Permit") for the use of portions of Building 449 on Naval Station Treasure Island, all as shown on Exhibit B of the Permit.

B. On February 11, 2004, the Parties entered into an Extension of the Permit to continue use on a month-to-month basis for an additional twelve months, retroactively from January 14, 2004 and expiring on January 14, 2005.

C. On January 12, 2005, the Parties entered into a Second Extension of the Permit to continue use on a month-to-month basis for an additional twelve months, from January 14, 2005 and expiring on January 14, 2006.

D. On January 11, 2006, the Parties entered into a Third Extension of the Permit to continue use on a month-to-month basis for an additional twelve months expiring on January 14, 2007.

E. The Parties wish to enter into a Fourth Extension of the Permit to continue use on a month-to-month basis from January 15, 2007 through November 30, 2007 and to amend Section 8. **Permit Fees.,** and to amend Section 14.1 **Permittee's Insurance**.

NOW THEREFORE, Sublandlord and Subtenant agree as follows:

1. Paragraph 8 of the Permit is hereby amended to require Permittee to pay to the Authority a Permit Fee of Eight Hundred Dollars and 00/100 ($800.00) per month beginning on July 1, 2007.

2. Paragraph 9 of the Permit is hereby amended to extend the Permit on a month-to-month basis from January 15, 2007 through November 30, 2007.

3. Paragraph 14 of the Permit is hereby amended to delete Section 14.1 (iv), Section 14.1 (v), and Section 14.1 (vi).

4. All other original terms of the Permit are to remain constant through out the term of this Extension.

Authority and Permittee have executed this Extension in triplicate as of the date first written above.

PERMITTEE:

San Francisco Museum and Historical Society

By: _____
Name:
Its: _____

AUTHORITY:

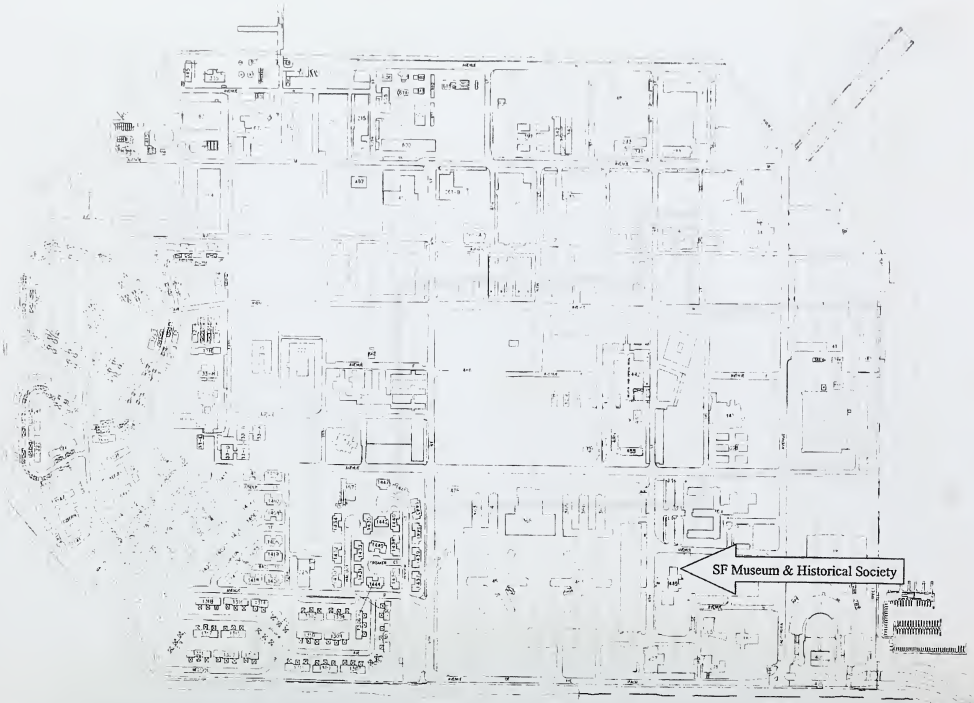
The Treasure Island Development Authority

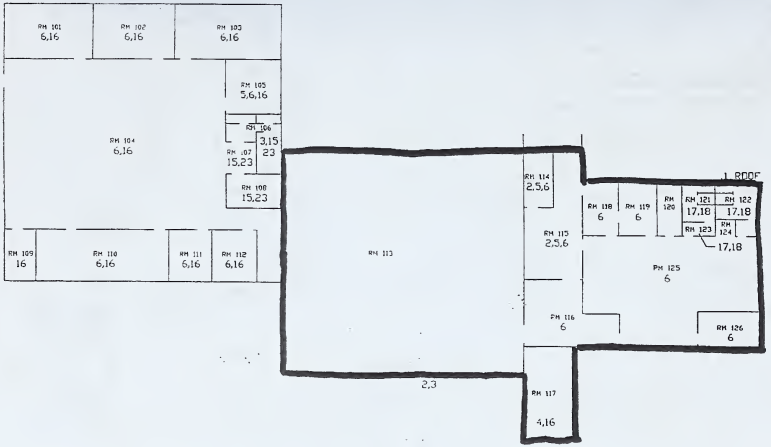
By: _____
Mirian Saez
Director of Island Operations

Approved as to Form:
DENNIS J. HERRERA, City Attorney

_____
By: _____
Deputy City Attorney

AVERY


SF Museum & Historical Society



BUILDING 449: TENANT RESERVE TRAINING CENTER

NAVAL STATION
TREASURE ISLAND
SAN FRANCISCO, CA

BLDG 449
ASSUMED

ASBESTOS CONTAINING MATERIAL

SHEET 1 OF 1

AGENDA ITEM 8(d)
Treasure Island Development Authority
City and County of San Francisco
Meeting of January 10, 2007

Subject: Resolution Authorizing the Director of Island Operations to Execute the Sixth Amendment to the Sublease with the San Francisco Little League to Retroactively Extend the Term for Use of the Little League Field on a month-to-month basis through November 30, 2007 and to establish a Base Rent of One Dollar. (Action Item)

Contact: Mirian Saez, Director of Island Operations
Phone: (415) 274-0660

SUMMARY OF PROPOSED ACTION:

Project staff requests authorization to enter into a Sixth Amendment with the San Francisco Little League to retroactively extend the term of the Sublease on a month-to-month basis through November 30, 2007, for the seasonal use of the Little League Ball Field located at Avenue N and Fourth Street on Treasure Island, and to establish a base rent of $1.00 for the term of the extension.

BACKGROUND:

On January 1, 2000, the Executive Director for the Authority executed a sublease (the "Sublease") with the San Francisco Little League ("SFLL") for the use of the Little League Ball Field located at 4th Street and Avenue N on Treasure Island. The initial term of the Sublease was from January 1, 2000 to March 14, 2001. On February 14, 2001, the Authority approved the First Amendment to extend the term of the Sublease through March 14, 2002. On March 14, 2002, the Authority approved the Second Amendment to extend the term of the Sublease through March 14, 2003. On August 13, 2003, the Authority approved a Third Amendment to retroactively extend the term of the Sublease through March 14, 2004. On April 14, 2004, the Authority approved a Fourth Amendment to retroactively extend the term of the Sublease through December 31, 2005. On February 22, 2006, the Authority approved a Fifth Amendment to retroactively extend the term of the Sublease through December 31, 2006.

Under the terms of the Sublease, SFLL renovated the field to bring it to playable condition. SFLL has since provided the ongoing maintenance of the field. In exchange for initial renovation and ongoing field maintenance, the Authority has waived ALL rental fees. The SFLL is allowed to operate the premises as a playing field for baseball and softball games and practices. The terms require SFLL to make the field available to "Priority Users" when SFLL is not scheduled to use the field. Priority Users are member organizations of the Treasure Island Homeless Development Initiative, staff and participants of the Delancey Street Life Learning Academy and the residents of Treasure Island.

Section 4.1 of the Sublease requires that Net Revenues (as defined in the Sublease) be spent on the improvement, upkeep or maintenance of the field. In support of its obligation, SFLL has maintained the field at no cost to the Authority. SFLL estimates that the actual cost to satisfy this obligation during the 2005/2006 season was $25,450, excluding the value of volunteer labor. SFLL anticipates spending $59,600 in capital improvements to the field in the upcoming season, with approximately $24,000 scheduled to be spent on new fencing, batting cages and bull pen surfaces, an additional $8,500 on new sewer and water line service for the Snack Shack, over $12,000 on improvements to the restroom facilities, and an additional $15,000 on improvements to the Snack Shack. Routine field maintenance expenses for the upcoming year are estimated to be an additional $24,450.

If the Authority elected to manage the field, Gross Revenue potential for the field is approximately $24,000 based on the following assumptions:

Season	8 months or 160 days
Rental fee per 2 hour use	$50
Number of Uses Per Day	3
Total Gross Revenue Potential	$24,000

A comparison of this Revenue estimate and the SFLL estimate to improve and maintain the field indicates that potential revenue from field rentals by the Authority would be inadequate to cover the capital costs and the operating costs for the field. Hence, the SFLL provides the Authority substantial benefit and value through the current arrangement.

The relationship between SFLL and the Treasure Island Development Authority has been mutually beneficial. In exchange for developing and managing a Little League Field that is a valuable asset to the public and residents of Treasure Island, SFLL is provided the right to use the field at no charge. As token consideration for the right to continue to use the field under the same terms and conditions, SFLL has offered to continue to maintain the field and to pay the Treasure Island Development Authority nominal cash consideration of One Dollar ($1.00) for the use of the field for the term of the agreement, expiring on November 30, 2007.

STANDING OF SUBTENANT

SFLL is fulfilling most of their obligations under the Sublease. A security deposit was not required of this subtenant according to the terms of the Sublease; the Use is consistent with the terms of the Sublease. The Subtenant's Insurance coverage expired on January 1, 2007. Renewed evidence of coverage is forthcoming.

RECOMMENDATION:

Providing use of the field as a recreational facility for the citizens of San Francisco and the Priority Users is a substantial public benefit that satisfies one of the Authority's primary objectives during this period of interim management of former Naval Station Treasure Island. SFLL continues to meet its obligation to maintain and operate the field for all users throughout the entire year.

Project staff recommends approval of the Board of Directors to enter into the Sixth Amendment with SFLL to extend the term on a month-to-month basis through November 30, 2007, and to accept the offer of San Francisco Little League to continue to manage and maintain the field at the sole cost and expense of SFLL, and to accept a Base Rental Fee of $1.00 for the term of the extension of the Sublease. All other terms and conditions would remain unchanged.

Exhibits:

A Sixth Amendment to Sublease.
B Exhibit of Premises

Prepared by Marc McDonald, Facilities Manager,
for Mirian Saez, Director of Island Operations

[Sublease of Baseball Field to San Francisco Little League]

Resolution Authorizing the Director of Island Operations to Execute the Sixth Amendment to the Sublease with the San Francisco Little League to Extend the Term for Use of the Little League Field on a Month to Month Basis through November 30, 2007 and to Establish Base Rent of One Dollar for the term of the Extension.

WHEREAS, On May 2, 1997, the Board of Supervisors (the "Board") passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the Base which are subject to the Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

WHEREAS, The Tidelands Trust prohibits the sale of trust property into private ownership, generally requires that Tidelands Trust property be accessible to the public and encourages public-oriented uses of trust property that, among other things, attract people to the waterfront, promote public recreation, protect habitat and preserve open space; and,

WHEREAS, In order to facilitate productive reuse and job creation on the Base, it may be beneficial for the Authority to lease or license property from the Navy and, in turn, sublease or sublicense such property to third-parties or use such property for municipal purposes; and,

WHEREAS, On December 8, 1999, the Authority approved a resolution authorizing staff to execute a sublease ("Sublease") with the San Francisco Little League ("Subtenant") for the use of a baseball field on Treasure Island (the "Premises") and it was agreed that the consideration for such Sublease was that the Subtenant would develop and maintain the field and make the field available for use by "Priority Groups," such groups being member organizations of the Treasure Island Homeless Development Initiative, staff and participants in the Delancey Street Life Learning Academy and the residents of Treasure Island; and,

WHEREAS, The initial term of the Sublease was from January 1, 2000 to March 14, 2001; and,

WHEREAS, On February 14, 2001, the Authority approved the First Amendment to extend the term of the Sublease through March 14, 2002; and,

WHEREAS, On March 14, 2002, the Authority approved the Second Amendment to extend the term of the Sublease through March 14, 2003; and,

WHEREAS, On August 13, 2003, the Authority approved a Third Amendment to retroactively extend the term of the Sublease through March 14, 2004; and,

WHEREAS, On April 14, 2004, the Authority approved a Fourth Amendment to retroactively extend the term of the Sublease through December 31, 2005; and

WHEREAS, On February 22, 2006, the Authority approved a Fifth Amendment to retroactively extend the term of the Sublease through December 31, 2006; and

WHEREAS, The Subtenant has requested an extension of the Sublease; and,

WHEREAS, The Subtenant provides significant benefits to the Authority and the City by improving, maintaining and managing a significant recreational facility for the benefit of youth, the residents of Treasure Island and the City and County of San Francisco; and,

WHEREAS, The Subtenant has acted in good faith to meet the obligations set forth in the Sublease for renovations, maintenance and access to the field for Priority Groups; **NOW, THEREFORE, BE IT**

RESOLVED, That the Board of Directors hereby approves the retroactive extension of the term of the Sublease on a Month-to-Month basis through November 30, 2007; **AND, BE IT**

FURTHER RESOLVED, That the Board of Directors hereby approves Base Rent of One Dollar ($1.00) for the term of the extension; **AND BE IT**

FURTHER RESOLVED, That the Board of Directors authorizes the Director of Island Operations to retroactively enter into an amendment to the Sublease in substantially the form attached hereto as Exhibit A; **AND, BE IT**

FURTHER RESOLVED, That the Board of Directors hereby finds that the extension of the term of the Sublease will serve the goals of the Authority and the public interests of the City, and the terms and conditions of the proposed amendment are commercially reasonable under the circumstances.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on January 10, 2007.

_____

John Elberling, Secretary

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SIXTH AMENDMENT TO SUBLEASE

between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

SAN FRANCISCO LITTLE LEAGUE
a non-profit public benefit corporation
as Subtenant

For the Sublease of

The Little League Field
at Former Naval Station Treasure Island
San Francisco, California

SIXTH AMENDMENT TO TREASURE ISLAND SUBLEASE

THIS SIXTH AMENDMENT TO SUBLEASE (the "Amendment"), dated as of this ___ day of January, 2007, is by and between the Treasure Island Development Authority ("Sublandlord") and the San Francisco Little League ("Subtenant").

This Sublease is made with reference to the following facts and circumstances,

A. Subtenant and Sublandlord entered into that certain Sublease, dated January 1, 2000, for the use of the Little League Field located at the intersection of 4th Avenue and Avenue N on Treasure Island (the "Original Sublease"). The term of the Original Sublease was from January 1, 2000 to March 14, 2001. On February 14, 2001, the Authority approved the First Amendment to extend the term of the Original Sublease through March 14, 2002. On March 14, 2002, the Authority approved the Second Amendment to extend the term of the Original Sublease through March 14, 2003. On August 13, 2003, the Authority approved a Third Amendment to retroactively extend the term of the Original Sublease through March 14, 2004. On April 14, 2004, the Authority approved a Fourth Amendment to retroactively extend the term of the Original Sublease through December 31, 2005. On February 22, 2006, the Authority approved a Fifth Amendment to retroactively extend the term of the Original Sublease through December 31, 2006 (the Original Sublease with all amendments are collectively known as the "Sublease").

B. Subtenant and Sublandlord desire to amend the Sublease to extend the term and to establish Base Rent.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. Defined Terms. Capitalized terms not separately defined herein shall have the same meaning provided in the Sublease.

2. Term of Sublease. The Term described in Section 3.1 of the Sublease is hereby amended to continue on a month-to-month basis through November 30, 2007.

3. Base Rent. On February 1, 2007, Subtenant shall pay to Sublandlord One Dollar (the "Base Rent") for the Premises.

4. Terms and Conditions of Sublease Remain in Full Force and Effect. Except as specifically amended hereby, the terms and conditions of the Sublease, as amended by this Amendment, shall remain in full force and effect.

5. Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Sublandlord and Subtenant have executed this Amendment as of the date first written above.

SUBTENANT:

SAN FRANCISCO LITTLE LEAGUE

By:_____
Its: _____

SUBLANDLORD:

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

By: _____
Mirian Saez
Its: Director of Island Operations

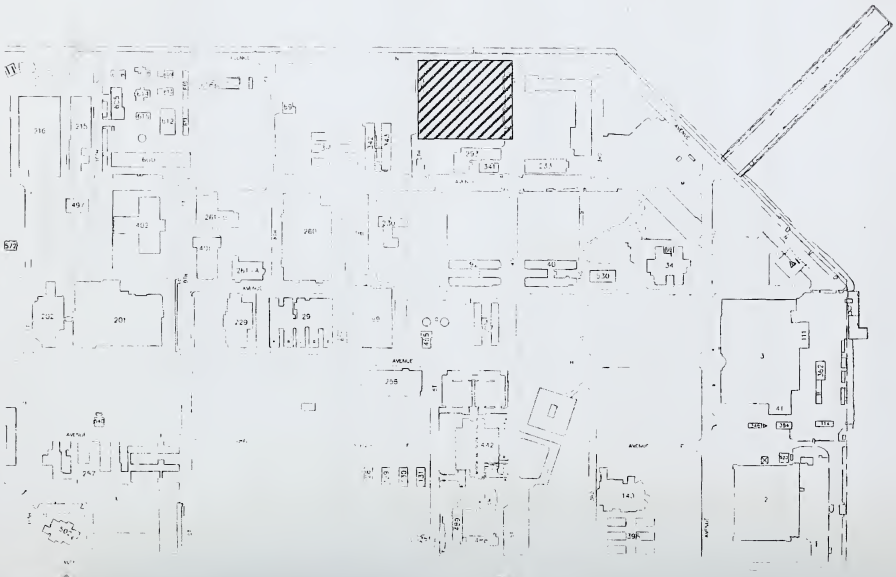
Approved as to Form:

DENNIS J. HERRERA,
City Attorney

By: _____
Deputy City Attorney

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Location of Little League Field Treasure Island



AGENDA ITEM 8 (e)

Treasure Island Development Authority
City and County of San Francisco
January 10, 2007

Subject: Resolution approving and authorizing the Director of Island Operations to execute a Use Permit, including waiver of standard rental fees, with the Treasure Island Job Corps Center (Job Corps), for the use of the Chapel for the purpose of holding a memorial service (Action Item).

Contact: Mirian Saez, Director of Island Operations
Treasure Island Development Authority
(415) 274-0660

SUMMARY OF PROPOSED ACTION:

This item seeks the approval of the Treasure Island Development Authority Board to authorize a Use Permit, including waiver of standard rental fees, with the Treasure Island Job Corps Center (Job Corps), for the use of the Chapel for a memorial service on Wednesday, January 10th, 2006.

BACKGROUND:

Job Corps is a no-cost education and vocational training program administered by the U.S. Department of Labor for young people, ages 16 through 24. The mission of the Job Corps, started in 1997, is to provide disadvantaged young adults with the opportunity to be responsible and productive members of today's workforce through a rigorous educational and vocational training program.

The Chapel is one of the Treasure Island Development Authority's revenue-generating special event venues and is rented frequently for wedding ceremonies and religious services. The standard rental fee for use of the Chapel for a three hour rental period on a Wednesday is $225. As the Job Corps memorial service is a community-based event accessible to the entire Job Corps and Island community, Job Corps has requested a waiver of the standard rental fees for use of this venue for the purpose of holding a memorial service. The memorial service is free and open to the public. The service will be held from 1:00pm to 4:00pm, on Wednesday, January 10, 2007, and will provide the Job Corps community with an opportunity to reflect and celebrate the life of one of its trainees.

Job Corps has made the appropriate application for use of the Chapel, including securing the appropriate insurance.

RECOMMENDATION:

Project staff recommends approval from the Authority Board to authorize the Director of Island Operations to execute a Use Permit, including waiver of standard rental fees, with the Treasure Island Job Corps Center for the use of the Chapel for the purpose of holding a memorial service.

Exhibit A: Use Permit between the Treasure Island Development Authority and the Treasure Island Job Corps for use of the Chapel on January 10, 2007.

Prepared by Lori Mazzola for
Mirian Saez, Director of Island Operations

[Use Permit with Treasure Island Job Corps for the Treasure Island Chapel]

Resolution approving and authorizing the Director of Island Operations to execute a Use Permit, including waiver of standard rental fees, with the Treasure Island Job Corps Center (Job Corps), for the use of the Chapel for the purpose of holding a memorial service.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America ("the Federal Government"); and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under the California Redevelopment Law with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and

WHEREAS, The Treasure Island Job Corps Center (Job Corps) has requested use of the Treasure Island Chapel on Treasure Island in order to hold a memorial service for a recently deceased trainee; and

WHEREAS, The Treasure Island Job Corps provides disadvantaged young adults with the opportunity to be responsible and productive members of today's workforce through a rigorous educational and vocational training program; and

WHEREAS, The Chapel is one of the Treasure Island Development Authority's revenue-generating special event venues and is rented frequently for wedding ceremonies and religious services, with the standard rental fee for use of the Chapel for a three hour rental period on a Wednesday being $225; and

WHEREAS, The Job Corps memorial service is a community-based event accessible to the entire Job Corps and Island community; and

WHEREAS, Job Corps has requested a waiver of the standard rental fees for use of this venue in consideration of Job Corps' role as a valuable on-island community partner and their larger role in providing educational opportunities for youth of the Bay Area; now therefore be it

RESOLVED, That the Authority Board hereby authorizes the Director of Island Operations to execute a Use Permit, including waiver of standard rental fees, with the Treasure Island Job Corps Center, for the use of the Chapel for the purpose of holding a memorial service for a recently deceased trainee in substantially the form of Use Permit attached to this resolution as Exhibit A; and be it

FURTHER RESOLVED, That entering into the Use Permit will serve the goals of the Authority and the public interests of the City.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at the Properly noticed special meeting on January 10, 2007.

_____

John Elberling, Secretary

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USE PERMIT

This Use Permit (this "Permit") dated for reference only as January 4, 2007 is made by and between the Treasure Island Development Authority ("Authority") and the Treasure Island Job Corps Center ("Permittee").

RECITALS

WHEREAS, pursuant to that certain Lease between the United States of America and Treasure Island Development Authority for Event Venues Naval Station Treasure Island, (the "Master Lease"), by and between the Authority and the Department of Navy (the "Navy"), a copy of which is attached hereto as Exhibit A, the Authority has the right to use that certain property located on Naval Station Treasure Island commonly known as the Chapel and portions of the parking areas adjacent thereto, all as more particularly shown on Exhibit B hereto (the "Premises"); and

WHEREAS, Permittee seeks to use the Premises for the purposes stated herein, subject to the terms and conditions of this Permit.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, Authority and Permittee agree as follows:

1. License. Authority confers to Permittee a revocable, personal, non-exclusive and non-possessory privilege to enter upon and use the Premises for the limited purpose and subject to the terms, conditions and restrictions set forth below. The privilege given to Permittee under this Permit is effective only insofar as the rights of Authority in the Premises are concerned, and Permittee shall obtain any further permission necessary because of any other existing rights affecting the Premises, or any portion thereof.

2. Inspection of Premises. Permittee represents and warrants that Permittee has conducted a thorough and diligent inspection and investigation, either independently or through its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors , and their respective heirs, legal representatives, successors and assigns, and each of them, ("Permittee's Agents") of the Premises and the suitability of the Premises for Permittee's intended use. Permittee is fully aware of the needs of its operations and has determined, based solely on its own investigation, that the Premises are suitable for its operations and intended uses.

3. As Is; Disclaimer of Representations. Permittee acknowledges and agrees that the Premises are being permitted and accepted in their "AS IS, WITH ALL FAULTS" condition, without representation or warranty of any kind, and subject to all applicable laws, statutes, ordinances, resolutions, regulations, proclamations, orders or decrees of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over the Premises, or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties ("Laws") governing the use, occupancy, management, operation and possession of the Premises. Without limiting the foregoing, this Permit is made subject to any and all covenants, conditions, restrictions, easements and other title matters affecting the Premises, or any portion thereof, whether or not of record. Permittee acknowledges and agrees that neither Authority nor any of its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors , and their respective heirs, legal representatives, successors and assigns ("Authority's Agents") have made, and Authority hereby disclaims, any representations or warranties, express or implied, concerning (i) title or survey matters affecting the Premises, (ii) the physical, geological, seismological or

environmental condition of the Premises, (iii) the quality, nature or adequacy of any utilities serving the Premises, (iv) the feasibility, cost or legality of constructing any Alterations on the Premises if required for Permittee's use and permitted under this Permit, (v) the safety of the Premises, whether for the use of Permittee or any other person, including Permittee's Agents or Permittee's clients, customers, vendors, invitees, guests, members, licensees, assignees or permittees ("Permittee's Invitees"), or (vi) any other matter whatsoever relating to the Premises or their use, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

4. Seismic Report and Structural Report. Without limiting Section 3 above, Permittee expressly acknowledges for itself and Permittee's Agents that it received and read that certain report dated August 1995, entitled "*Treasure Island Reuse Plan: Physical Characteristics, Building and Infrastructure Conditions,*" prepared for the Office of Military Base Conversion, Department of City Planning, and the Redevelopment Agency of the City and County of San Francisco, (the "Seismic Report"), a copy of the cover page of which is attached hereto as Exhibit C. Permittee has had an adequate opportunity to review the Seismic Report with expert consultants of its own choosing. The Seismic Report, among other matters, describes the conditions of the soils on Treasure Island and points out that in the area of the Property where the Premises are located, an earthquake of magnitude 7 or greater is likely to cause the ground under and around the Premises to spread laterally to a distance of ten (10) or more feet and/or result in other risks. In that event, there is a significant risk that buildings and any other structures or improvements located on or about the Premises may fail structurally and collapse.

5. Use of Premises. Permittee may enter and use the Premises for the sole purpose of a public memorial service with no more than 250 people.

6. Restrictions on Use. Permittee agrees that, by way of example only and without limitation, the following uses of the Premises by Permittee, or any other person claiming by or through Permittee, are inconsistent with the limited purpose of this Permit and are strictly prohibited as provided below:

(a) Hazardous Material. Permittee shall not cause, nor shall Permittee allow any of its Agents or Invitees (as such terms are defined below) to cause, any Hazardous Material (as defined below) to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises, or transported to or from the Premises without the prior written consent of Authority. Permittee shall immediately notify Authority when Permittee learns of, or has reason to believe that, a release of Hazardous Material has occurred in, on or about the Premises. Permittee shall further comply with all laws requiring notice of such releases or threatened releases to governmental agencies, and shall take all action necessary to mitigate the release or minimize the spread of contamination. In the event that Permittee or its Agents or Invitees cause a release of Hazardous Material, Permittee shall, without cost to Authority and in accordance with all laws and regulations, return the Premises to the condition immediately prior to the release. In connection therewith, Permittee shall afford Authority a full opportunity to participate in any discussion with governmental agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree or other compromise proceeding involving Hazardous Material. For purposes hereof, "**Hazardous Material**" means material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to public health, welfare or the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601 et seq., or pursuant to Section 25316

of the California Health & Safety Code; a "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the Premises or are naturally occurring substances in the Premises, and any petroleum, including, without limitation, crude oil or any fraction thereof, natural gas or natural gas liquids. The term "**release**" or "**threatened release**" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the Premises.

(b) Nuisances. Permittee shall not conduct any activities on or about the Premises that constitute waste, nuisance or unreasonable annoyance (including, without limitation, emission of objectionable odors, noises or lights) to Authority, to the owners or occupants of neighboring property or to the public.

(c) Damage. Permittee shall not do anything about the Premises that could cause damage to the Premises or any Authority property.

(d) Parking. Permittee shall be allowed to park up to 75 vehicles in the area designated for parking on Exhibit B attached hereto. To the extent practicable, Permittee shall use its best efforts to encourage ride-sharing, the use of shuttle busses or other pooled-means of transportation to and from the Premises.

7. Alterations. Except as otherwise expressly provided herein, Permittee shall not construct or place any temporary or permanent structures or improvements in, on, under or about the Premises, nor shall Permittee make any alterations or additions to any of existing structures or improvements on the Premises, unless Permittee first obtains Authority's prior written consent, which Authority may give or withhold in its sole and absolute discretion.

8. Permit Fees. In consideration of Job Corps's role as a valuable on-island community partner and their larger role providing educational opportunities for youth of bay area, the Authority waives its standard fee in the amount of $225.

9. Term of Permit. The privilege conferred to Permittee pursuant to this Permit shall commence on January 10, 2007 at 1:00PM and shall automatically expire on January 10, 2007 at 4:00PM. Moreover, if the Master Lease terminates for any reason whatsoever, this Permit shall automatically terminate.

10. Compliance with Laws. Permittee shall, at its expense, conduct and cause to be conducted all activities on the Premises allowed hereunder in a safe and reasonable manner and in compliance with all laws, regulations, ordinances and orders of any governmental or other regulatory entity (including, without limitation, the Americans with Disabilities Act) whether presently in effect or subsequently adopted and whether or not in the contemplation of the parties. Permittee shall, at its sole expense, procure and maintain in force at all times during its use of the Premises any and all business and other licenses or approvals necessary to conduct the activities allowed hereunder. Permittee understands and agrees that Authority is entering into this Permit in its capacity as a property owner with a proprietary interest in the Premises and not as a regulatory agency with police powers. Permittee further understands and agrees that no approval by Authority for purposes of this Permit shall be deemed to constitute approval of any federal, state, Authority or other local regulatory authority with jurisdiction, and nothing herein shall limit Permittee's obligation to obtain all such regulatory approvals at Permittee's sole cost or limit in any way Authority's exercise of its police powers. Without limiting the foregoing, before beginning any work in the Premises, Permittee shall obtain any and all

permits, licenses and approvals (collectively, "approvals") of all regulatory agencies and other third parties that are required to commence and complete the permitted work.

11. **Security**. In addition to the Permit Fee described in section 8 above, Permittee shall pay all cost of providing the security services described on Exhibit D attached hereto.

12. **Surrender**. Upon the expiration of this Permit, Permittee shall surrender the Premises in the same condition as received, free from hazards and clear of all debris. At such time, Permittee shall remove all of its property from the Premises permitted hereunder, and shall repair, at its cost, any damage to the Premises caused by such removal. Permittee's obligations under this Section shall survive any termination of this Permit.

13. RELEASE AND WAIVER OF CLAIMS; INDEMNIFICATION

13.1. Release and Waiver of Claims. Permittee, on behalf of itself and Permittee's Agents, covenants and agrees that the Authority shall not be responsible for or liable to Permittee for, and, to the fullest extent allowed by any Laws, Permittee hereby waives all rights against the Authority and releases them from, any and all claims, demands, losses, liabilities, damages, liens, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, including, without limitation, reasonable attorneys' and consultants' fees and costs ("Losses"), including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any person or loss or damage to any property, in or about the Premises, from any cause whatsoever, including without limitation, partial or complete collapse of the buildings thereon due to an earthquake or subsidence, except only to the extent such Losses are caused exclusively by the gross negligence or willful misconduct of the Authority (except as provided in Section 13.1(a) below). Without limiting the generality of the foregoing:

(a) Without limiting any other waiver contained herein, Permittee on behalf of itself and its successors and assigns, hereby waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Authority from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way be connected with the Authority's decision to allow Permittee to use the Premises, regardless of whether or not such decision is or may be determined to be an act of gross negligence or willful misconduct of the Authority.

(b) Permittee covenants and agrees never to file, commence, prosecute or cause to be filed, commenced or prosecuted against the Authority any claim, action or proceeding based upon any claims, demands, causes of action, obligations, damages, losses, costs, expenses or liabilities of any nature whatsoever encompassed by the waivers and releases set forth in this Section 13.1.

(c) In executing these waivers and releases, Permittee has not relied upon any representation or statement other than as expressly set forth herein.

(d) Permittee had made such investigation of the facts pertaining to these waivers and releases it deems necessary and assumes the risk of mistake with respect to such facts. These waivers and releases are intended to be final and binding on Permittee regardless of any claims of mistake.

(e) In connection with the foregoing releases, Permittee acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

13.2. Acknowledgment. Permittee acknowledges that the releases contained herein includes all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Permittee realizes and acknowledges that it has agreed upon this Permit in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The waivers and releases contained herein shall survive any termination of this Permit.

13.3. Permittee's Indemnity. Permittee, on behalf of itself and Permittee's Agents, shall indemnify, protect, defend and hold harmless forever ('Indemnify") the Authority from and against any and all Losses, expressly including but not limited to, any Losses arising out of a partial or complete collapse of any building located on the Premises due to an earthquake or subsidence, incurred in connection with or arising directly or indirectly, in whole or in part, out of: (a) any damage to or destruction of any property owned by or in the custody of Permittee or Permittee's Agents or Permittee's Invitees, (b) any accident, injury to or death of a person, including, without limitation, Permittee's Agents and Permittee's Invitees, howsoever or by whomsoever caused, occurring in, on or about the Premises (c) any default by Permittee in the observation or performance of any of the terms, covenants or conditions of this Permit to be observed or performed on Permittee's part; (d) the use, occupancy, conduct or management, or manner of use, occupancy, conduct or management by Permittee, Permittee's Agents or Permittee's Invitees or any person or entity claiming through or under any of them, of the Premises or any Alterations; (e) the condition of the Premises, (f) any construction or other work undertaken by Permittee on or about the Premises whether before or during the Term of this Permit; or (g) any acts, omissions or negligence of Permittee, Permittee's Agents or Permittee's Invitees, or of any trespassers, in, on or about the Premises or any alterations; except to the extent that such Indemnity is void or otherwise unenforceable under any applicable Laws in effect on or validly retroactive to the date of this Permit and further except only to the extent such Losses are caused by the gross negligence and intentional wrongful acts and omissions of the Authority. Notwithstanding the foregoing, Permittee's obligations to indemnify the Authority under this Section 13.3 shall remain in full force and effect regardless of whether or not the Authority' decision to permit the Premises to the Permittee, given the seismic condition of the property, is or may be determined to be an act of gross negligence or willful misconduct of the Authority. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and Authority's costs of investigating any Loss. Permittee specifically acknowledges and agrees that it has an immediate and independent obligation to defend Authority from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Permittee by Authority and continues at all times thereafter. Permittee's obligations under this Section shall survive the expiration or sooner termination of this Permit. Notwithstanding anything contained herein, to the extent such Losses are not covered by insurance required herein and subject to this Section 13.3, Permittee shall have no obligation to repair, restore or reconstruct the Premises (or to pay for the same) in the event the Premises are damaged or destroyed by an earthquake or subsidence or by any other uninsured casualty.

14. INSURANCE

14.1. Permittee's Insurance. Permittee shall procure and maintain throughout the Term of this Permit and pay the cost thereof the following insurance:

(a) Worker's Compensation, with Employers' Liability Limits not less than $1,000,000 each accident; and

(b) Commercial General Liability Insurance with limits not less than $1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Host Liquor Liability, Personal Injury, Broad Form Property Damage, Products and Completed Operations; and

(c) Automobile liability insurance with limits not less than $1,000,000 each occurrence combined single limit for bodily injury and property damage, including owned and non-owned and hired vehicles, if Permittee uses, or causes to be used, any automobiles in connection with its use of the Premises.

14.2. General Requirements. All insurance provided for under this Permit shall be effected under valid enforceable policies issued by insurers of recognized responsibility and reasonably approved by Authority.

(a) Should any of the required insurance be provided under a claims-made form, Permittee shall maintain such coverage continuously throughout the term hereof and, without lapse, for a period of one (1) year beyond the expiration or termination of this Permit, to the effect that, should occurrences during the Term give rise to claims made after expiration or termination of this Permit, such claims shall be covered by such claims-made policies.

(b) Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit shall double the occurrence or claims limits specified above.

(c) All liability insurance policies shall be endorsed to provide the following:

(i) Cover Permittee as the insured and the City and County of San Francisco, the Treasure Island Development Authority, their officers, agents, and employees as an additional insured.

(ii) That such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Permit, and that insurance applies separately to each insured against whom claim is made or suit is brought. Such policies shall also provide for severability of interests and that an act or omission of one of the named insureds which would void or otherwise reduce coverage shall not reduce or void the coverage as to any insured, and shall afford coverage for all claims based on acts, omissions, injury or damage which occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period.

14.3. Proof of Insurance. Permittee shall deliver to Authority certificates of insurance in form and with insurers satisfactory to Authority, evidencing the coverages required hereunder, on or before the commencement date of this Permit, together with complete copies of the policies promptly upon Authority's request. In the event Permittee shall fail to procure such insurance, or to deliver such policies or certificates, Authority may, at its option, procure the same for the account of Permittee, and the cost thereof shall be paid to Authority within five (5) days after delivery to Permittee of bills therefor.

14.4. No Limitation on Indemnities. Permittee's compliance with the provisions of this Section shall in no way relieve or decrease Permittee's indemnification obligations herein or any of Permittee's other obligations or liabilities under this Permit.

14.5. Lapse of Insurance. Notwithstanding anything to the contrary in this Permit, Authority may elect in Authority's sole and absolute discretion to terminate this Permit upon the lapse of any required insurance coverage by written notice to Permittee.

14.6. Permittee's Personal Property. Permittee shall be responsible, at its expense, for separately insuring Permittee's Personal Property.

14.7. Waiver of Subrogation. Notwithstanding anything to the contrary contained herein, to the extent permitted by their respective policies of insurance, Authority and Permittee each hereby waive any right of recovery against the other party and against any other party maintaining a policy of insurance covering the Premises and their contents, or any portion thereof, for any loss or damage maintained by such other party with respect to the Premises, or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party. If any policy of insurance relating to the Premises carried by Permittee does not permit the foregoing waiver or if the coverage under any such policy would be invalidated due to such waiver, Permittee shall obtain, if possible, from the insurer under such policy a waiver of all rights of subrogation the insurer might have against Authority or any other party maintaining a policy of insurance covering the same loss, in connection with any claim, loss or damage covered by such policy.

15. No Assignment. This Permit is personal to Permittee and shall not be assigned, conveyed or otherwise transferred by Permittee under any circumstances.

16. MacBride Principles - Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Permittee acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

17. Non-Discrimination. Permittee shall not, in the operation and use of the Premises, discriminate against any person or group of persons solely because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, gender identity, disability or acquired immune deficiency syndrome (AIDS) or AIDS related condition (ARC). The provisions of Chapters 12B and 12C of the San Francisco Administrative Code, relating to nondiscrimination by parties contracting with the City and County of San Francisco, are incorporated herein by reference and made a part hereof as though fully set forth herein. Permittee agrees to comply with all of the provisions of such Chapters 12B and 12C that apply to parties contracting with the City and County of San Francisco.

18. Tropical Hardwoods and Virgin Redwood. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood product, virgin redwood, or virgin redwood product.

19. No Tobacco Advertising. Permittee acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of the Authority, including the property which is the subject of this Permit. This prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

20. Security Deposit. Not Applicable.

21. Rules and Regulations. In connection with the Permittee's use hereunder, Permittee shall comply with the Rules and Regulations attached hereto as Exhibit E.

22. General Provisions. **(a)** This Permit may be amended or modified only by a writing signed by Authority and Permittee. **(b)** No waiver by any party of any of the provisions of this Permit shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. **(c)** This instrument (including the exhibit(s) hereto) contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. **(d)** The section and other headings of this Permit are for convenience of reference only and shall be disregarded in the interpretation of this Permit. **(e)** Time is of the essence. **(f)** This Permit shall be governed by California law and Authority's Charter. **(g)** If either party commences an action against the other or a dispute arises under this Permit, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Authority shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience. **(h)** If Permittee consists of more than one person then the obligations of each person shall be joint and several. **(i)** Permittee may not record this Permit or any memorandum hereof. **(j)** Subject to the prohibition against assignments or other transfers by Permittee hereunder, this Permit shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns. **(k)** Any sale or conveyance of the property burdened by this Permit by Authority shall automatically revoke this Permit. **(l)** This Permit may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

PERMITTEE:

Treasure Island Job Corps Center

By: _____

Name: _____

Title: _____

Treasure Island Development Authority

By: _____
Mirian Saez
Director of Island Operations

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By: _____
Deputy City Attorney

AGENDA ITEM 9
Treasure Island Development Authority
City and County of San Francisco
Regular Meeting of January 10, 2007

Subject: Resolution Authorizing the Director of Island Operations to Execute a Fifth Amendment to the Sublease with Delancey Street Foundation to Retroactively Extend the Term on a month-to-month basis through November 30, 2007 and to Assess a Percentage Rent for 2004 and 2005. (Action Item)

Contact: Mirian Saez, Director of Island Operations
Phone: (415) 274-0660

SUMMARY OF PROPOSED ACTION

Approval of an amendment to the Sublease with the Delancey Street Foundation to retroactively extend the term of the agreement on a month-to-month basis through November 30, 2007 and to assess percentage rent for 2004 and 2005.

BACKGROUND

On October 1, 1998, the Treasure Island Development Authority entered into a Sublease ("Original Sublease") with the Delancey Street Foundation ("Delancey Street") for use of Building 229 as a Charter School known as the Life Learning Academy and Buildings 183 and 298 as a coffee shop/café in association with their vocational program for culinary arts.

The Original Sublease term commenced on October 1, 1998 and terminated on September 30, 2000. The Original Sublease also granted the subtenant five successive one-year options to extend the Term of the Sublease. Delancey Street exercised the extensions over the years. On February 22, 2006, the Treasure Island Development Authority Board of Directors (the "Board") approved the last of the options as a retroactive extension of the term through December 31, 2006.

On September 13, 2000, in response to a request by Delancey Street, the Board approved a Second Amendment to the Sublease to reduce the premises by excluding Building 298. At present, Delancey Street's presence at Treasure Island consists of:

- Building 229. The Life Learning Academy (LLA), a diploma-granting San Francisco Unified School District Charter School designed to serve 60 high-school aged youths who have not been successful in other school settings.

- Building 183. The Crossroads Café is a full-service café operated by the Delancey Street Life Learning Academy faculty, staff and students. The Café is open Tuesdays through Saturdays during breakfast and lunch hours. It serves Treasure Island residents, workers, students and visitors. As the Café is an extension of the school it is not open during most school holidays.

Under the terms of the Original Sublease, rent or consideration for use of the premises consisted of the following elements:

1. A requirement to make improvements to the buildings (the "Required Improvements");
2. Pay all costs and expenses of operating the Premises, including, all Common Area Maintenance (CAM) charges; and
3. After recovering its costs of making the Required Improvements to the Café from Gross Revenues, the Subtenant was obligated to pay Sublandlord on a monthly basis 2% of such Gross Revenue as percentage rent.

Required Improvements

In accord with an Accessibility Plan Check prepared by the Disabled Access Division of the City and County of San Francisco, the Café required substantial renovations to bring it in compliance with requirements of the Americans with Disabilities Act. According to the Staff Report submitted to the Board on April 14, 2004, the Café building required extensive improvements to make it functional as a restaurant and to bring the building into compliance with the City's building code.

Required Improvements were not defined in the Sublease. An undated Scope of Work was included in the file. The undated Scope of Work described typical tenant improvement costs, including costs for demolition and foundation work, interior reframing, costs for new ceiling tiles, walkways and paths as well as the cost of painting, tiling, siding and roofing work. The costs described in the Scope of Work totaled $85,500. On April 16, 2001, Life Learning Academy submitted Academy & Crossroad Café Renovation Costs prepared by the Juvenile Justice Project (the "JJP Costs"). In the cover letter accompanying the submittal, Carol Kizziah, Dean of Life Learning Academy stated "Here are all the renovation expenses for the Life Learning Academy and the Crossroads Café. I have highlighted the Café costs." The highlighted JJP Costs, totaled $87,366.38.

Waiver of Rent and CAM

The Staff Report submitted to the Board at its April 14, 2004 meeting also described the method used by staff to calculate percentage rent owed by the Subtenant in accord with the terms of the Original Sublease. Based on this calculation, staff stated that $2,550 was payable by the subtenant as Percentage Rent for the Years 2001, 2002 and 2003. Staff arrived at this amount by deducting the cost of Required Improvements ($85,500) from the sum of Gross Revenue reported by the Café for the Years 2001, 2002 and 2003 (approximately $213,000). The difference of $127,500 was multiplied by 2% to conclude that Total Percentage Rent Due for 2001, 2002 and 2003 was $2,550.

Further, Staff noted that the Subtenant was delinquent in payment of CAM Charges in the amount of $19,560 due to substantial budget limitations facing the Subtenant's funding sources. In support of staff's recommendation that CAM charges be waived for the Subtenant, staff referred to a written request from the San Francisco Unified School District ("SFUSD") that Life Learning Academy, a public school chartered by the SFUSD, be treated in a manner similar to the treatment of the Treasure Island Elementary School and not be assessed CAM charges.

Based on the above, the Board Resolved to approve: "(i) the extension of the Sublease to December 31, 2005, with no further options to extend; (ii) the removal of the obligation to pay percentage rent; (iii) the removal of the obligation to pay CAM Charges after May 1, 2004 for the remainder of the Term; and (iv) the waiver of all past due CAM Charges on condition that Subtenant works with TIDA staff to establish expanded hours for coffee shop/café operated by the Life Learning Academy's culinary arts program and allocates monies that would have been used to pay outstanding CAM Charges to support this goal."

Hence, on May 1, 2004 the Sublease was amended by the Third Amendment to the Sublease (the "3rd Amendment" :

(i) Extend the term to December 31, 2005 with no further options to extend;

(ii) Require the Subtenant to submit to the Sublandlord an accounting of the Subtenant's Gross Revenues and "In the event that the Board of Directors of Sublandlord determines that Subtenant's annual Gross Revenues are sufficiently high, Sublandlord may, in its sole and absolute discretion, require Subtenant to pay a percentage of such annual Gross Revenues as percentage rent, as approved by the Board of Directors and not to exceed 2%, by adopting a resolution of the Board of Directors of Sublandlord electing to take such percentage rent…;"

(iii) Acknowledge that as of the date of the 3rd Amendment that the Subtenant has spent at least $85,500 in Required Improvements associated with the Café;

(iv) Agree that "there shall be no other rent or Common Area Maintenance Charges assessed against the Premises beginning on the Effective Date and continuing to the expiration of the Term;"

(v) Agree that this is a 'triple net" sublease and that Subtenant shall be responsible for the cost of all utilities, maintenance or services necessary for Subtenant's use of the Premises;

(vi) Acknowledge and agree that as of the date of the 3rd Amendment, the Subtenant owed the Sublandlord $19,650.00 in past due CAM Charges and that such past due CAM charges were waived in consideration of the Subtenant making the Required Improvements, operating the premises as a Café and working with the Sublandlord to establish expanded hours for the coffee shop/café.

Gross Revenue 2004 and 2005

In accordance with the 3rd Amendment, the Project Staff requested of Delancey Street a statement of Gross Revenue. On December 13, 2006, the Subtenant submitted a Statement of Gross Revenue and Expenses to the Authority for the year ending December 31, 2004. Gross Revenue for the period was $85,421.40. Should the Board elect to assess Percentage Rent of 2% against Gross Revenue, Percentage Rent for the Calendar Year ending December 31, 2004 would be $1,708.43.

In February of 2006, the Subtenant submitted a Statement of Gross Revenue and Expenses to the Authority for the year ending December 31, 2005. Gross Revenue for the period was $106,617.06. Should the Board elect to assess Percentage Rent of 2% against Gross Revenue, Percentage Rent for the Calendar Year ending December 31, 2005 would be $2,132.34.

STANDING AS TENANT

Delancey Street's use of the premises is consistent with the terms of the Sublease. The Café is open Tuesdays through Saturdays from 7:30 AM to 3:30 PM. In response to the Board request in 2004, the Life Learning Academy agreed to open the Café during the summer months. Residents of Treasure Island have requested that the Café remain open during evening hours and during school vacations as a community gathering place. Life Learning Academy states that it is unable to accommodate this request because the Café is operated by students, a cook and a single adult supervisor. The Life Learning Academy states that it currently subsidizes the Café and cannot afford to hire another cook and supervisor to operate the Café when staff and students are on vacation. Insurance is inadequate. Delancey Street has provided evidence of Automobile and Workers Compensation insurance consistent with the terms of the Sublease. The subtenant has provided evidence of Personal Injury in the amount of $1,000,000; however the sublease requires evidence of Personal Injury insurance in the amount of $5,000,000. The sublease requires the subtenant to provide evidence of Property Insurance equal to the full replacement value of the premises. The subtenant has not provided evidence of Property Insurance.

Tenant Request

The subtenant has requested an extension of the term of the Sublease under the following terms and conditions:

1. Request that the Board not assess Percentage Rent against the Subtenant's Gross Revenue for the years ending December 2004 and December 2005;
2. Continue the waiver of CAM charges;
3. All other terms and conditions of the Sublease to remain unchanged.

RECOMMENDATION

The Café provides a substantial public benefit to the Treasure Island Community as a center for convenient, prepared food. The Delancey Street School and Café provides a substantial public benefit to the City and County of San Francisco as a training and education facility for youth. In accord with the terms and conditions of the sublease, Project Staff recommends the following actions:

1. Retroactive extension of the term of the Sublease on a month-to-month basis through November 30, 2007, under the same terms and conditions;

2. Direct staff to assess Percentage Rent for the Calendar Year ending December 31, 2004 in the amount of $1,708.43; and,

3. Direct staff to assess Percentage Rent for the Calendar Year ending December 31, 2005 would be $2,132.34.

EXHIBITS

A Fifth Amendment to Sublease Between Delancey Street Foundation and TIDA.

B. Exhibit of Premises

C. Request from Delancey Street for Extension of Term

Prepared by: Marc McDonald, Facilities Manager

for Mirian Saez, Director of Island Operations

[Extending Term of the Delancey Street Foundation Sublease]

Authorizing The Director Of Island Operations To Execute a Fifth Amendment To the Sublease With the Delancey Street Foundation To Retroactively Extend the Term on a Month-to-Month basis through November 30, 2007.

WHEREAS, On May 2, 1997, the Board of Supervisors (the "Board") passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the Base which are subject to the Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

WHEREAS, The Tidelands Trust prohibits the sale of trust property into private ownership, generally requires that Tidelands Trust property be accessible to the public and encourages public-oriented uses of trust property that, among other things, attract people to the waterfront, promote public recreation, protect habitat and preserve open space; and,

WHEREAS, In order to facilitate productive reuse of the Base, it may be beneficial for the Authority to lease or license property from the Navy and, in turn, sublease or sublicense such property to third parties or use such property for municipal purposes; and,

WHEREAS, on September 16, 1998, the Board of Directors of the Authority approved a sublease with Delancey Street Foundation ("Subtenant") for the use of Buildings 183, 298, and 229 (the " Premises") for a coffee shop/café, a vocational program for culinary arts, and the Life Learning Academy; and,

WHEREAS, The primary purpose of the Sublease is to provide (1) a suitable location for the Life Learning Academy charter school for at-risk boys and girls from San Francisco, (2) a suitable location for a vocational program for culinary arts, and (3) a coffee shop/café staffed by students of the Life Learning Academy culinary arts program serving the visitors and residents of Treasure Island and Yerba Buena Island; and,

WHEREAS, The Sublease did grant to Subtenant five (5) successive one-year optio to extend the Term of the Sublease; and,

WHEREAS, On October 30, 1998, the Sublease was amended to state that in the event of a conflict between rights and responsibilities granted to Subtenant by the Sublease and rights and responsibilities granted to the Treasure Island Homeless Development Initiative ("TIHDI") by the Base Closure Homeless Assistance Agreement and Option to Lease Real Property as endorsed by the City's Board of Supervisors, the rights and responsibilities granted to TIHDI shall prevail, and.

WHEREAS, On September 13, 2000, the Authority authorized an amendment to the Sublease to delete Building 229 from the Premises; and,

WHEREAS, On April 14, 2004, after the Subtenant had previously exercised its fourth option to extend the term of the Sublease, the Authority authorized an amendment to the Sublease to (i) extend the term of the Sublease to December 31, 2005, with no further options

to extend; (ii) remove the obligations to pay percentage rent and Common Area Maintenance ("CAM") charges after May 1, 2004 for the remainder of the term; (iii) waive all past due CAM Charges on condition that Subtenant work with TIDA staff to establish expanded hours for the coffee shop/café operated by the Life Learning Academy; and,

WHEREAS, on May 1, 2004, the Sublease was amended by the Third Amendment to the Sublease (the "3rd Amendment") to (i) Extend the term to December 31, 2005, with no further options to extend; and, (ii) Require the Subtenant to submit an accounting of the Subtenant's Gross Revenues and that in the event the Board of Directors of Sublandlord determines that Subtenant's annual Gross Revenues are sufficiently high the Board of Directors may, in its sole and absolute discretion, require Subtenant to pay a percentage rent not to exceed 2%, by adopting a resolution of the Board of Directors electing to assess such percentage rent; and. (iii) to acknowledge that as of the date of the 3rd Amendment that the Subtenant had spent at least $85,500 in Required Improvements mandated by the Sublease; and, (iv) to agree that there shall be no other rent or Common Area Maintenance Charges assessed against the Premises to the expiration of the Term; and. (v) agree that this is a 'triple net" sublease and that Subtenant shall be responsible for the cost of all utilities, maintenance or services necessary for Subtenant's use of the Premises; and, (vi) to acknowledge and agree that as of the date of the 3rd Amendment, the Subtenant owed the Sublandlord $19,650.00 in past due CAM Charges and that such past due CAM charges were waived in consideration of the Subtenant making the Required Improvements, operating the premises as a Café and working with the Sublandlord to establish expanded hours for the coffee shop/café; and,

WHEREAS, On February 22, 2006, the Authority authorized a retroactive extension of the Sublease to December 31, 2006, under the same terms and conditions, and,

WHEREAS, Subtenant has submitted Gross Revenue Statements for the periods January 1 through December 31 2004 and January 1 through December 31, 2005 as required by the 3rd Amendment to the Sublease; and,

WHEREAS, It is the discretion of the Board of Directors to determine and to resolve whether to assess percentage rent for the periods that the Subtenant has submitted Gross Revenue information, such amounts being $1,708.43 against Gross Revenue of $85,421.40 for the Year 2004, and $2,132.34 against Gross Revenue of $106,617.06 for the Year 2005, and the Board of Directors has determined that it shall exercise such discretion to assess percentage for Calendar Year 2004 and Calendar Year 2005; and,

WHEREAS, Subtenant has paid all costs typical of a triple net sublease, including payment for all utilities, insurance and operating expenses for its premises; and,

WHEREAS, Subtenant has established expanded hours for the coffee shop/café, those hours being the months of June and July, a period during which the café previously had been closed; and,

WHEREAS, Subtenant has requested extension of the term of the Sublease under the same terms and conditions; and,

WHEREAS, The Delancey Street Life Learning Academy and Café provide significant benefits to the Authority by serving as a center for convenient prepared food for the island community and a substantial public benefit to the City of San Francisco as a training and education facility for at-risk youth; **NOW, THEREFORE, BE IT**

RESOLVED, That the Board of Directors hereby approves the retroactive extension of the term of the Sublease on a Month-to-Month basis through November 30, 2007, under the same terms and conditions; **AND, BE IT**

FURTHER RESOLVED, That the Board of Directors hereby directs staff to assess Percentage Rent for the Calendar Year ending December 31, 2004 in the amount of $1,708.43; **AND BE IT**

FURTHER RESOLVED, That the Board of Directors hereby directs staff to assess Percentage Rent for the Calendar Year ending December 31, 2005 in the amount of $2,132.34; **AND BE IT**

FURTHER RESOLVED, That the Board of Directors hereby finds that extending the sublease will serve the goals of the Authority and public interests of the City and the terms and conditions of the sublease are commercially reasonable under the circumstances; **AND BE IT**

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to retroactively enter into an amendment to the Sublease in substantially the form attached hereto as Exhibit A.

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CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on January 10, 2007

John Elberling, Secretary

FIFTH AMENDMENT TO

SUBLEASE

between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

DELANCEY STREET FOUNDATION

as Subtenant

For the Sublease of

Buildings 183 and 229 at
Naval Station Treasure Island
San Francisco, California

JANAUARY __, 2006

FIFTH AMENDMENT TO
TREASURE ISLAND SUBLEASE

THIS FIFTH AMENDMENT TO SUBLEASE (the "Fifth Amendment"), dated as of January __, 2007, is entered into by and between the Treasure Island Development Authority ("Sublandlord") and Delancey Street Foundation, a 501(c)(3) non-profit corporation ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Amendment is made with reference to the following facts and circumstances:

A. Sublandlord and Subtenant entered into a Sublease dated October 1, 1998 (the "Original Sublease") for the use of Buildings 183, 298 and 229 on Naval Station Treasure Island as a Life Learning Academy operated by Subtenant. The Original Sublease was amended by that First Amendment to Sublease between the Parties dated October 30, 1998 (the "First Amendment") to recognize the rights of the Treasure Island Homeless Development Initiative in connection with Subtenant's rights. On September 13, 2000, the Authority authorized an amendment to the Sublease to remove Building 298 from the Premises (the "Second Amendment"). On May 1, 2004, the sublease was amended to (i) extend the term to December 31, 2005, (ii) agree that no rent shall be assessed for the Premises beginning on the Effective Date and continuing to the expiration of the Term, and (iii) beginning May 1, 2004, and continuing for the remainder of the Term, Subtenant shall not be required to pay monthly CAM Charges. On February 22, 2006, the Authority authorized a retroactive extension of the Sublease to December 31, 2006, under the same terms and conditions. The Original Sublease, the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment are collectively referred to herein as the "Sublease." Except as otherwise expressly stated herein, all capitalized terms shall have the meaning given in the Sublease.

B. The Parties wish to amend the Sublease as stated herein below.

NOW THEREFORE, Sublandlord and Subtenant agreed to retroactively amend the Sublease as follows:

1. Section 3.1 of the Sublease is hereby amended to read as follows:

> "**3.1 Term of Sublease.** The term of this Sublease (the "Term") shall commence on October 1, 1998 (the "Commencement Date") and continue on a month-to-month basis through November 30, 2007, unless earlier terminated as provided in this Sublease. Either party may, in its sole discretion, terminate this Sublease by giving thirty (30) days prior written notice to the other party.

2. Except as expressly modified herein, all other terms, conditions, and covenants of the Sublease shall remain in full force and effect.

Sublandlord and Subtenant have executed this Fifth Amendment in triplicate as of the date first written above.

SUBTENANT:

Delancey Street Foundation.
a 501(c)(3) non-profit corporation

By: _____ _____
Its: Date

SUBLANDLORD:

The Treasure Island Development Authority

_____ _____
By: Mirian Saez Date
Its: Director of Island Operations

Approved as to Form:

DENNIS J. HERRERA
City Attorney

By: _____

_____
Deputy City Attorney

Mr. Marc McDonald
Treasure Island Development Authority
401 Palm Ave. Treasure Island
San Francisco, CA 94130

January 2, 2007

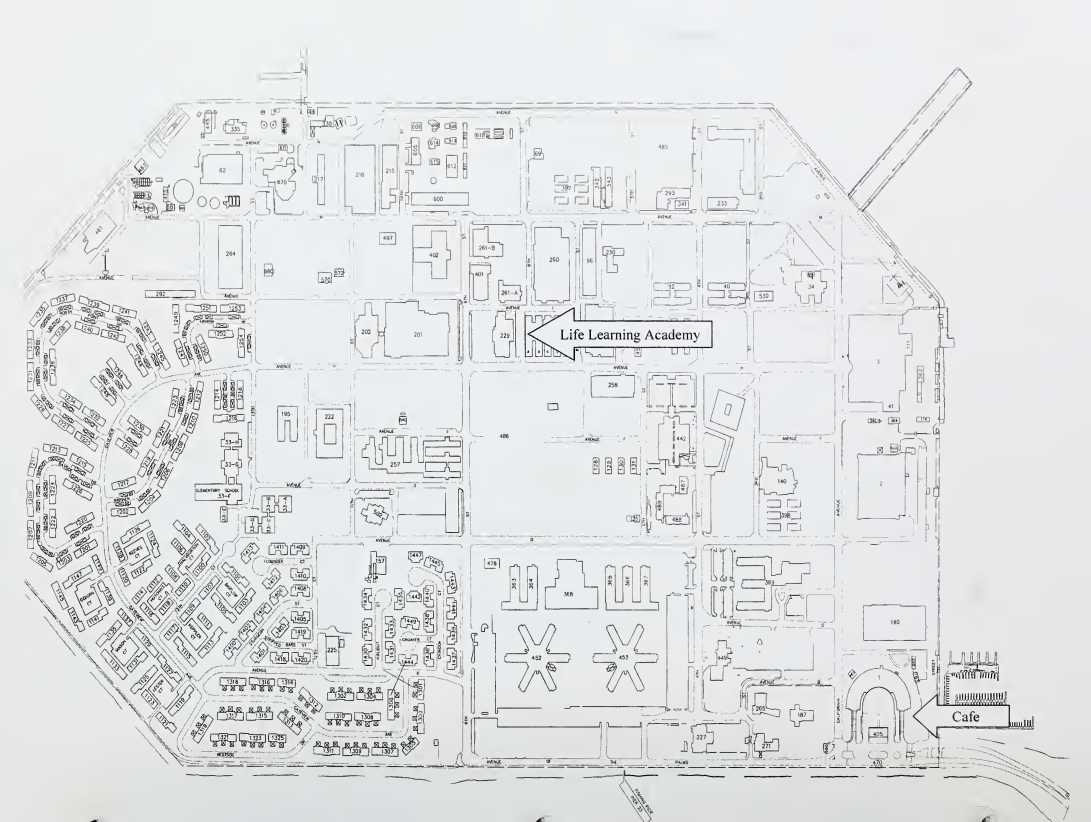
Dear Mr. McDonald:

This letter serves as notice that subtenant Delancey Street Foundation is requesting to extend the term of the current lease for a one-year term for the Life Learning Academy, Building 229, and the Crossroads Café By the Bay, Building 183. We are requesting this extension under the current terms of the sublease including a waiver of rent, a waiver of CAM charges, a waiver of all charges. Thank you very much for your assistance.

Sincerely,

Mimi H. Silbert, President/CEO

AVERY ™ RECYCLED PAPER MADE FROM 30% POST CONSUMER CONTENT


Life Learning Academy
Cafe

Mr. Marc McDonald
Treasure Island Development Authority
401 Palm Ave. Treasure Island
San Francisco, CA 94130

January 2, 2007

Dear Mr. McDonald:

This letter serves as notice that subtenant Delancey Street Foundation is requesting to extend the term of the current lease for a one-year term for the Life Learning Academy, Building 229, and the Crossroads Café By the Bay, Building 183. We are requesting this extension under the current terms of the sublease including a waiver of rent, a waiver of CAM charges, a waiver of all charges. Thank you very much for your assistance.

Sincerely,

Mimi H. Silbert, President/CEO

AGENDA ITEM 10
Treasure Island Development Authority
City and County of San Francisco
Regular Meeting of January 10, 2007

Subject: Resolution Authorizing the Director of Island Operations to Execute the Sublease with ProTransport-1, LLC for Use of approximately 6,959 square feet in Building 201 on a month-to-month basis from January 22, 2007 through November 30, 2007. (Action Item)

Contact: Mirian Saez, Director of Island Operations
Phone: (415) 274-0660

SUMMARY OF PROPOSED ACTION:

Authorization to enter into a Sublease with ProTransport-1, LLC, a California Limited Liability Corporation, for a portion of Building 201 on Treasure Island on a month-to-month basis from January 22, 2007 through November 30, 2007.

BACKGROUND:

ProTransport-1 was founded in 2000 to provide non-emergency medical transportation services to people who needed access to limited medical attention but not the services and costly equipment of a fully staffed ambulance.

At a cost that is lower than that of full-medical service ambulance services, patients who require transportation on a regular basis for non-emergency visits for specialized treatment or routine medical appointments, such as daily dialysis treatments or weekly radiation treatments receive reliable transport services.

Services provided by ProTransport-1 include Wheelchair Van, Gurney Van and Basic Life Support Transport Services. Gurney Van crews are certified in both CPR and First Aid. All Basic Life Support Transport Services are staffed with Emergency Medical Technicians.

ProTransport-1 provides non-emergency transport service throughout the Bay Area including San Francisco, Alameda, Contra Costa, Marin, Napa, Solano, and Sonoma Counties.

Currently, ProTransport-1 supports their Bay Area operations from Fremont. In support of the expansion of their transport services to the inner Bay Area, Pro-Transport-1 seeks to enter into a month to month sublease with the Authority from January 22, 2007 through November 30, 2007 for use of a portion of Building 201 at Avenue I on Treasure

Island. Premises are approximately 6,959 square feet. The Rental Fee is $2,087.55 NNN ($0.30psf) per month.

ProTransport-1 has committed to employing its best efforts to provide medical transport services in the event of a declared emergency. Of note, Treasure Island residents have expressed concern that Island residents' immediate access to medical transport services is limited to services available through the San Francisco Fire Department (SFFD). In the event of a declared emergency, SFFD resources based on Treasure Island would not be able to respond to emergencies and provide medical transport services simultaneously. The presence of a medical transport service on Treasure Island addresses that concern.

The space will be used for storage of medical transport vehicles ranging from wheelchair vans through basic life support vans. Neither vehicle nor equipment maintenance will be allowed on the premises.

RECOMMENDATION:

Project staff recommends the Authority approve the proposed sublease with ProTransport-1, LLC for approximately 6,959 square feet in Building 201 for month-to-month term from January 22, 2007 through November 30, 2007.

Exhibits:

A. Sublease between the Treasure Island Development Authority as Sublandlord and ProTransport-1, LLC as Subtenant for the Sublease of approximately 6,959 square feet in a portion of Building 201 on Avenue I, Treasure Island, San Francisco.

B. Premises drawing.

Prepared by Marc McDonald, Facilities Manager
for Mirian Saez, Director of Island Operations

FILE NO. _____ RESOLUTION NO. _____

[Authorizing a Month-to-Month Sublease with ProTransport-1, LLC for a term beginning January 22, 2007 through November 30, 2007]

Resolution Authorizing the Director of Island Operations to Execute the Sublease with ProTransport-1, LLC for Use of approximately 6,959 square feet in Building 201 on a month-to-month basis from January 22, 2007 through November 30, 2007.

WHEREAS, On May 2, 1997, the Board of Supervisors (the "Board") passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the Base which are subject to the Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

WHEREAS, The Authority and the United States of America, acting by and through the Department of the Navy, entered into a Master Lease (Lease No. N6247499RP42P12), as amended, for use of certain property, including a portion of Building 201 on Treasure Island: and,

WHEREAS, The Master Lease enables the Authority to sublease the leasehold premises for interim use; and,

WHEREAS, ProTransport-1, LLC wishes to sublease approximately 6,959 square feet in Building 201; and,

WHEREAS, The proposed term of the sublease shall be on a month-to-month basis commencing on January 22, 2007, and expiring on November 30, 2007; and,

WHEREAS, The premises will be used for storage of medical transport vehicles and,

WHEREAS, The Subtenant provides significant benefits to the Authority by agreeing that in the event of an emergency declared by the San Francisco Office of Emergency Services and Homeland Security, ProTransport-1 will use best efforts to provide required medical transport services to residents of Treasure and Yerba Buena Islands and subtenants of the Authority; and,

WHEREAS, The monthly rent for the premises described above shall be $2,087.55 NNN ($0.30psf) per month; **NOW, THEREFORE, BE IT**

RESOLVED, That the Board of Directors hereby finds and determines as follows:

1. That the proposed sublease will serve the goals of the Authority and the public interests of the City; and,

2. That the terms and conditions of the proposed sublease are fair and reasonable; and be it,

FURTHER RESOLVED, That the Board of Directors herby finds that entering into the sublease will serve the goals of the Authority and public interest of the City and the terms and conditions of the sublease are commercially reasonable under the circumstances; and be it,

FURTHER RESOLVED, That the Board of Directors authorizes the Director of Island Operations to execute the sublease with ProTransport-1 for the premises, in substantially the form attached as Exhibit A.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on January 10, 2007.

_____
John Elberling, Secretary

SUBLEASE

between

TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

Pro-Transport–1, LLC

as Subtenant

For the Sublease of

Approximately 6,959 Square Feet in a portion of Building 201 on Avenue I

Treasure Island Naval Station
San Francisco, California

January __, 2007

TREASURE ISLAND SUBLEASE

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LIST OF EXHIBITS:

EXHIBIT A – Master Lease
EXHIBIT B – Diagram of Premises
EXHIBIT C – Cover Page of Seismic Report
EXHIBIT D – Rules and Regulations
EXHIBIT E – Utilities
EXHIBIT F – TIHDI Work Force Hiring Plan

TREASURE ISLAND SUBLEASE

THIS SUBLEASE (the "Sublease"), dated January __, 2007, is by and between the Treasure Island Development Authority, a California public benefit corporation ("Sublandlord"), and ProTransport-1, LLC, a Limited Liability Corporation ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Sublease is made with reference to the following facts and circumstances:

A. The United States of America, acting by and through the Department of Navy ("Master Landlord") and Sublandlord entered into a lease dated September 4, 1998, as amended from time to time (the "Master Lease"), a copy of which is attached hereto as Exhibit A. Under the Master Lease, the Master Landlord leased to Sublandlord certain real property located on Treasure Island Naval Station (the "Property"), as more particularly described in the Master Lease.

B. The Property includes approximately 6,959 Square Feet in a portion of Building 201 on Avenue I as more particularly shown on the map attached hereto as Exhibit B (the "Premises").

C. Subtenant desires to sublet the Premises from Sublandlord and Sublandlord is willing to sublet the Premises to Subtenant on the terms and conditions contained in this Sublease.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. PREMISES

1.1. Subleased Premises. Subject to the terms, covenants and conditions of this Sublease, Sublandlord subleases to Subtenant the Premises and the non-exclusive right to use the parking area shown on Exhibit B.

1.2. As Is Condition of Premises.

(a) Inspection of Premises. Subtenant represents and warrants that Subtenant has conducted a thorough and diligent inspection and investigation, either independently or through its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns, and each of them ("Subtenant's Agents"), of the Premises and the suitability of the Premises for Subtenant's intended use. Subtenant is fully aware of the needs of its operations and has determined, based solely on its own investigation, that the Premises are suitable for its operations and intended uses. As part of its inspection of the Premises, Subtenant acknowledges its receipt and review of the Seismic

Report referenced in Section 1.2(c) below and the Joint Inspection Report referenced in Section 6 of the Master Lease.

(b) As Is; Disclaimer of Representations. Subtenant acknowledges and agrees that the Premises are being subleased and accepted in their "AS IS, WITH ALL FAULTS" condition, without representation or warranty of any kind, and subject to all applicable laws, statutes, ordinances, resolutions, regulations, proclamations, orders or decrees of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over the Premises, or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties, including without limitation the orders and citations of any regulatory authority with jurisdiction over life and safety issues concerning the Premises governing the use, occupancy, management, operation and possession of the Premises ("Laws"). Without limiting the foregoing, this Sublease is made subject to any and all covenants, conditions, restrictions, easements and other title matters affecting the Premises, or any portion thereof, whether or not of record. Subtenant acknowledges and agrees that neither Sublandlord, the City and County of San Francisco ("City"), nor any of their respective officers, directors, employees, agents, affiliates, subsidiaries, licensees or contractors, or their respective heirs, legal representatives, successors and assigns ("Sublandlord's Agents") have made, and Sublandlord hereby disclaims, any representations or warranties, express or implied, concerning (i) title or survey matters affecting the Premises, (ii) the physical, geological, seismological or environmental condition of the Premises, including, without limitation, the matters described in the Seismic Report (as defined below), (iii) the quality, nature or adequacy of any utilities serving the Premises, (iv) the feasibility, cost or legality of constructing any Alterations on the Premises if required for Subtenant's use and permitted under this Sublease, (v) the safety of the Premises, whether for the use by Subtenant or any other person, including Subtenant's Agents or Subtenant's clients, customers, vendors, invitees, guests, members, licensees, assignees or subtenants ("Subtenant's Invitees"), or (vi) any other matter whatsoever relating to the Premises or their use, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

(c) Seismic Report. Without limiting Section 1.2(b) above, Subtenant expressly acknowledges for itself and Subtenant's Agents that it received and read that certain report dated August 1995, entitled "*Treasure Island Reuse Plan: Physical Characteristics, Building and Infrastructure Conditions,"* prepared for the Office of Military Base Conversion, Department of City Planning, and the Redevelopment Agency of the City and County of San Francisco (the "Seismic Report"), a copy of the cover page of which is attached hereto as Exhibit C. Subtenant has had an adequate opportunity to review the Seismic Report with expert consultants of its own choosing. The Seismic Report, among other matters, describes the conditions of the soils of the Property and points out that in the area of the Property where the Premises are located, an earthquake of magnitude 7 or greater is likely to cause the ground under and around the Premises to spread laterally to a distance of ten (10) or more feet and/or result in other risks. In that event, there is a significant risk that any structures or improvements located on or about the Premises, may fail structurally and collapse.

2. COMPLIANCE WITH MASTER LEASE

2.1. Incorporation by Reference. All of the terms and conditions of the Master Lease are hereby incorporated by reference into this Sublease as if fully set forth herein.

2.2. Performance of Master Landlord's Obligations. Sublandlord does not assume the obligations of Master Landlord under the Master Lease. With respect to work, services, repairs, restoration, the provision of utilities or HVAC services, or the performance of any other obligations required of Master Landlord under the Master Lease, Sublandlord's sole obligation with respect thereto shall be to request the same, on request in writing by Subtenant, and to use reasonable efforts to obtain the same from Master Landlord. Subtenant shall cooperate with Sublandlord as may be required to obtain from Master Landlord any such work, services, repairs, repainting, restoration, the provision of utilities or HVAC services, or the performance of any of Master Landlord's obligations under the Master Lease.

2.3. Conflict. If any of the provisions of this Sublease conflict with any portion of the Master Lease as incorporated herein, then the terms of the Master Lease shall govern.

2.4. Compliance with Master Lease. Subtenant shall not do or permit to be done anything which would constitute a violation or a breach of any of the terms, conditions or provisions of the Master Lease or which would cause the Master Lease to be terminated or forfeited by virtue of any rights of termination reserved by or vested in the Master Landlord.

2.5. Automatic Termination. If the Master Lease terminates for any reason whatsoever, this Sublease shall automatically terminate and the Parties shall thereafter be relieved from all liabilities and obligations under this Sublease, except for liabilities and obligations which expressly survive termination of this Sublease. Subtenant acknowledges and agrees that it has reviewed the Master Lease, is aware of the circumstances upon which the Master Lease may be terminated and hereby assumes all risks associated with the automatic termination of this Sublease because of the termination of the Master Lease.

3. TERM

3.1. **Term of Sublease**. The term of this Sublease (the "Term") shall commence on January 22, 2007 (the "Commencement Date"), and continue on a month-to-month basis through November 30, 2007 (the "Expiration Date"), unless sooner terminated pursuant to the terms of this Sublease. Either Party may, in its sole discretion, terminate this Sublease by giving thirty (30) days prior written notice to the other Party.

3.2. **Effective Date**. This Sublease shall become effective on the date (the "Effective Date") upon the later of (i) the Parties' execution and delivery of this Sublease, (ii) Sublandlord's Board of Director's approval of this Sublease at a duly noticed meeting, or (iii) the Commencement Date.

4. RENT

4.1. **Base Rent.** Throughout the Term, beginning on the Commencement Date, Subtenant shall pay to Sublandlord base rent in the amount of Two Thousand Eighty Seven Dollars and Fifty Five Cents ($2,087.55) per month (the "Base Rent"). Base Rent shall be paid to Sublandlord without prior demand and without any deduction, setoff, or counterclaim whatsoever. Base Rent shall be payable on or before the first day of each month, in advance, at the Notice Address of Sublandlord provided in Section 20.1 hereof or such other place as Sublandlord may designate in writing. If the Commencement Date occurs on a date other than the first day of a calendar month, or the Sublease terminates on a day other than the last day of a calendar month, then the monthly payment of Base Rent for such fractional month shall be prorated based on a thirty (30) day month.

4.2. **Adjustments in Base Rent**. If this Sublease has not been terminated, then on each anniversary date of the Commencement Date specified in Section 3.1 of this Sublease ("Adjustment Date"), the Base Rent shall be increased by an amount determined by the Authority in its sole and absolute discretion, which amount shall be at least 3%.

4.3. **Additional Charges**. In addition to Base Rent, Subtenant shall pay any and all real property taxes, possessory interest taxes, common area maintenance charges, and other costs, impositions and expenses related to the Premises as provided in Section 5 hereof, plus all other charges related to the Premises otherwise payable by Subtenant to Sublandlord hereunder, including, without limitation, all late charges and default interest attributable to late payments and/or defaults of Subtenant hereunder, all utility charges, and any common area maintenance charge levied on the Premises (together, the "Additional Charges"). Together, Base Rent and Additional Charges shall hereinafter be referred to as the "Rent".

4.4. **Late Charge**. If Subtenant fails to pay any Rent within ten (10) days after the date the same is due and payable, such unpaid amount will be subject to a late payment charge equal to six percent (6%) of the unpaid amount in each instance. The late payment charge has been

agreed upon by Sublandlord and Subtenant, after negotiation, as a reasonable estimate of the additional administrative costs and detriment that Sublandlord will incur as a result of any such failure by Subtenant, the actual costs thereof being extremely difficult if not impossible to determine. The late payment charge constitutes liquidated damages to compensate Sublandlord for its damages resulting from such failure to pay and Subtenant shall promptly pay such charge to Sublandlord together with such unpaid amount.

4.5. Default Interest. If any Rent is not paid within ten (10) days following the due date, such unpaid amount shall bear interest from the due date until paid at the rate of the greater of the interest rate in effect that has been established by the Secretary of Treasury pursuant to Public Law, as described in Section 33 of the Master Lease, or ten percent (10%) per year. However, interest shall not be payable on late charges incurred by Subtenant nor on any amounts on which late charges are paid by Subtenant to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest shall not excuse or cure any default by Subtenant.

5. TAXES, ASSESSMENTS AND OTHER EXPENSES

5.1. Taxes and Assessments, Licenses, Permit Fees and Liens.

(a) Payment Responsibility. Subtenant shall pay any and all real and personal property taxes, including, but not limited to, possessory interest taxes, general and special assessments, excises, licenses, permit fees and other charges and impositions of every description levied on or assessed against the Premises, any Alterations, Subtenant's Personal Property, or Subtenant's use of the Premises or any Alterations during the Term. Subtenant shall make all such payments directly to the charging authority when due and payable and at least ten (10) days prior to delinquency. However, with respect to real property taxes and assessments levied on or assessed against the Premises for which Sublandlord receives the tax bill directly from the taxing authority, Subtenant shall reimburse Sublandlord for payment of such sums immediately upon demand.

(b) Taxability of Possessory Interest. Without limiting the foregoing, Subtenant recognizes and agrees that this Sublease may create a possessory interest subject to property taxation and that Subtenant may be subject to the payment of property taxes levied on such interest.

(c) No Liens. Subtenant shall not allow or suffer a lien for any taxes payable by Subtenant hereunder to be imposed upon the Premises or upon any equipment or other property located thereon without discharging the same as soon as practicable, and in no event subsequent to delinquency.

(d) Reporting Information. Subtenant agrees to provide such information as Sublandlord may request to enable Sublandlord to comply with any possessory interest tax reporting requirements applicable to this Sublease.

5.2. Other Expenses. This is a "triple net" Sublease. Accordingly, Subtenant shall be responsible for any and all other charges, costs and expenses related to its use, occupancy, operation or enjoyment of the Premises or any Alterations permitted thereon, including, without limitation, the cost of any utilities, the CAM Charge, and all property maintenance, including landscaping of parking areas and any other services necessary for Subtenant's use.

5.3. Evidence of Payment. Subtenant shall, upon Sublandlord's request, furnish to Sublandlord within ten (10) days after the date when any charges are due and payable, official receipts of the appropriate taxing authority or other evidence reasonably satisfactory to Sublandlord, evidencing payment thereof.

6. USE; COVENANTS TO PROTECT PREMISES

6.1. Subtenant's Permitted Use. Subtenant may use the Premises for storage of medical transport vehicles, but for no other purpose, including repair, service or maintenance to vehicles or any other equipment in any manner, without the prior written consent of Sublandlord, which consent may be given or withheld in Sublandlord's sole and absolute discretion.
In the event of a declared emergency by the San Francisco Office of Emergency Services and Homeland Security, Subtenant shall make best efforts to coordinate with emergency responders of the City and County of San Francisco to provide required medical emergency transport services to residents of Treasure Island and Yerba Buena Island and employees of subtenants of the Authority.

6.2. Subtenant's Access to the Premises. As provided in Section 30 of the Master Lease, Subtenant shall have access to the Premises on a 24-hours per day, seven days a week basis; provided, however, Subtenant shall coordinate such access with the local representative of Master Landlord.

6.3. Rules and Regulations. Subtenant agrees to adhere to all rules and regulations regarding the Premises attached hereto as Exhibit D, and any additional rules regarding security, ingress, egress, safety and sanitation applicable to the Premises or the Property, as such rules and regulations may be prescribed by Master Landlord or Sublandlord from time to time.

6.4. Easements. This Sublease shall be subject to all outstanding easements and rights-of-way for location of any type of facility over, across, in, and upon the Premises or any portion thereof, and to the right of Master Landlord to grant such additional easements and rights-of-way over, across, in and upon the Premises as Master Landlord shall determine to be in the public interest ("Additional Easements"); provided that, as provided in Section 29 of the Master Lease, Master Landlord shall use its best efforts to minimize any interference with Subtenant's operations hereunder caused by the granting of any such Additional Easements and the granting of such Additional Easements shall be conditioned on the assumption by the grantee thereof of liability to Subtenant for such damages as Subtenant shall suffer for property destroyed or

property rendered unusable on account of the grantee's exercise of its rights thereunder. There is hereby reserved to the holders of such Additional Easements as are presently outstanding or which may hereafter be granted, to any workers officially engaged in the construction, installation, maintenance, operation, repair or replacement of facilities located thereon, and to any federal, state or local official engaged in the official inspection thereof, such reasonable rights of ingress and egress over the Premises as shall be necessary for the performance of their duties with regard to such facilities.

6.5. **No Interference with Navy Operations**. Subtenant shall not conduct operations, nor make any Alterations (as defined below), that would interfere with or otherwise restrict Master Landlord's operations or environmental clean-up or restoration actions by the Master Landlord, Sublandlord, the Environmental Protection Agency, the State of California or their contractors. Environmental clean-up, restoration or testing activities by these Parties shall take priority over Subtenant's use of the Premises in the event of any conflict; provided, however, in such event, Master Landlord and Sublandlord shall use their best efforts to minimize any disruption of Subtenant's operation.

6.6. **No Unlawful Uses, Nuisances or Waste**. Without limiting the foregoing, Subtenant shall not use, occupy or permit the use or occupancy of any of the Premises in any unlawful manner or for any illegal purpose, or permit any offensive, noisy or hazardous use or any waste on or about the Premises. Subtenant shall eliminate any nuisances or hazards relating to its activities on or about the Premises. Subtenant shall not conduct any business, place any sales display, or advertise in any manner in areas on or about the Property outside of the Premises.

7. ALTERATIONS

7.1. **Alterations**. Subtenant shall not construct, install, make or permit to be made any alterations, installations or additions ("Alterations") in, to or about the Premises, without Sublandlord's prior written consent in each instance, which consent may given or withheld in Sublandlord's sole and absolute discretion. Subject to Sublandlord's consent as provided above, any Alterations shall be done at Subtenant's sole expense (i) in strict accordance with plans and specifications approved in advance by Sublandlord in writing, (ii) by duly licensed and bonded contractors or mechanics approved by Sublandlord, (iii) in a good and professional manner, (iv) in strict compliance with all Laws, and (v) subject to all other conditions that Sublandlord may reasonably impose. In no event shall the construction, installation or the making of any Alterations impair the use or operation of the Property, or any portion thereof, or Sublandlord's or Master Landlord's access thereto. Prior to the commencement of any work on the Premises to construct any Alterations, Subtenant, at its sole expense, shall procure all required permits and approvals and shall promptly upon receipt deliver copies of all such documents to Sublandlord. No material change from the plans and specifications for any Alterations approved by Sublandlord may be made without Sublandlord's prior consent. Sublandlord and Sublandlord's Agents shall have the right to inspect the course of construction on the Premises at all times.

7.2. Historic Properties. Without limiting the generality of the foregoing, Subtenant acknowledges and agrees that, pursuant to Section 15 of the Master Lease, no Alterations may be made to any improvements on the Premises (i) which will affect the historic characteristics of the improvements or modify the appearance of the exterior of the improvements without Master Landlord's and Sublandlord's prior written consent, or (ii) if such Alterations would preclude qualifying the improvements for inclusion on the National Register for Historic Places.

7.3. Ownership of Alterations. Any Alterations constructed on or affixed to the Premises by or on behalf of Subtenant pursuant to the terms and limitations of this Section 7 shall be and remain Subtenant's property during the Term. Upon the termination of this Sublease, Subtenant shall remove all such Alterations from the Premises in accordance with the provisions of Section 18 hereof, unless Sublandlord, at its sole option and without limiting any of the provisions of Section 7.1 above, requires that such Alterations remain on the Premises following the expiration or termination of this Sublease.

7.4. Subtenant's Personal Property. All furniture, furnishings and articles of movable personal property and equipment used upon or installed in the Premises by or for the account of Subtenant that can be removed without structural or other material damage to the Premises (all of which are herein called "Subtenant's Personal Property") shall be and remain the property of Subtenant and shall be removed by Subtenant, subject to the provisions of Section 18 hereof. Subtenant shall be solely responsible for providing any security or other protection of or maintenance to Subtenant's Personal Property.

7.5. Sublandlord's Alterations. Sublandlord reserves the right at any time to make alterations, additions, repairs, deletions or improvements to the common areas or any other part of the improvements on the Premises; provided, that any such alterations or additions shall not materially adversely affect the functional utilization of the Premises for the purposes stated herein.

8. REPAIRS AND MAINTENANCE

8.1. Subtenant Responsible for Maintenance and Repair. Subtenant assumes full and sole responsibility for the condition, operation, repair and maintenance and management of the Premises from and after the Commencement Date and shall keep the Premises in good condition and repair. Sublandlord shall not be responsible for the performance of any repairs, changes or alterations to the Premises, nor shall Sublandlord be liable for any portion of the cost thereof. Subtenant shall make all repairs and replacements, interior and exterior, structural as well as non-structural, ordinary as well as extraordinary, foreseen and unforeseen, which may be necessary to maintain the Premises at all times in a clean, safe, attractive and sanitary condition and in good order and repair, to Sublandlord's and Master Landlord's reasonable satisfaction, provided, however, that neither Subtenant nor Sublandlord shall be required to make structural repairs or Alterations to correct conditions affecting the Premises existing prior to the Commencement Date. If any portion of the Premises is damaged by any activities conducted by Subtenant or Subtenant's Agents or Subtenant's Invitees hereunder, Subtenant shall immediately, at its sole cost, repair all such damage and restore the Premises to its previous condition.

8.2. Utilities. Sublandlord shall provide the basic utilities and services described in the attached Exhibit E (the "Standard Utilities and Services") to the Premises, subject to the terms and conditions contained therein. Subtenant shall be responsible for furnishing, at its sole cost, any utilities or services other than or in excess of the Standard Utilities and Services that Subtenant may need for its use of the Premises. Subtenant shall pay, without set off or counterclaim, all amounts due and owing for such Standard Utilities and Services at the rates provided in and as otherwise set forth in Exhibit E.

8.3. Landscaping. Subtenant shall maintain the exterior landscaping of the Premises in good condition and repair.

8.4. Janitorial Services. Subtenant shall provide all janitorial services for the Premises.

8.5. Pest Control. Subtenant shall provide and pay for all pest control services required within the Premises, and shall keep the Premises free of all pests at all times.

8.6. Trash. Subtenant shall deposit all trash into designated containers in the Premises in compliance with the Rules and Regulations attached hereto as Exhibit F. Subtenant shall pay for the removal of trash from the designated containers. Subtenant shall abide by all rules established by Sublandlord or Master Landlord for the handling of trash.

8.7. No Right to Repair and Deduct. Subtenant expressly waives the benefit of any existing or future Laws or judicial or administrative decision that would otherwise permit Subtenant to make repairs or replacements at Sublandlord's expense, or to terminate this Sublease because of Sublandlord's failure to keep the Premises or any part thereof in good order, condition or repair, or to abate or reduce any of Subtenant's obligations hereunder on account of the Premises or any

part thereof being in need of repair or replacement. Without limiting the foregoing, Subtenant expressly waives the provisions of California Civil Code Sections 1932, 1941 and 1942 or any similar Laws with respect to any right of Subtenant to terminate this Sublease and with respect to any obligations of Sublandlord hereunder or any right of Subtenant to make repairs or replacements and deduct the cost thereof from Rent.

9. LIENS

9.1. Liens. Subtenant shall keep the Premises free from any liens arising out of any work performed, material furnished or obligations incurred by or for Subtenant. In the event Subtenant does not, within five (5) days following the imposition of any such lien, cause the lien to be released of record by payment or posting of a proper bond, Sublandlord shall have in addition to all other remedies provided herein and by law or equity the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including, but not limited to, payment of the claim giving rise to such lien. All such sums paid by Sublandlord and all expenses it incurs in connection therewith (including, without limitation, reasonable attorneys' fees) shall be payable to Sublandlord by Subtenant upon demand. Sublandlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law or that Sublandlord deems proper for its protection and protection of the Premises from mechanics' and materialmen's liens. Subtenant shall give Sublandlord at least fifteen (15) days' prior written notice of the commencement of any repair or construction on any of the Premises.

10. COMPLIANCE WITH LAWS

10.1. Compliance with Laws. Subtenant shall promptly, at its sole expense, maintain the Premises and Subtenant's use and operations thereon in strict compliance at all times with all present and future Laws, whether foreseen or unforeseen, ordinary as well as extraordinary; provided, however Subtenant shall not be required to make repairs or structural changes to the Premises required solely to correct conditions affecting the Premises existing prior to the Commencement Date or not related to Subtenant's use of the Premises, unless the requirement for such changes is imposed as a result of any Alterations made or requested to be made by Subtenant. Such Laws shall include, without limitation, all Laws relating to health and safety and disabled accessibility including, without limitation, the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq. and Title 24 of the California Code of Regulations, and all present and future Environmental Laws (as defined in this Sublease below). No occurrence or situation arising during the Term, nor any present or future Law, whether foreseen or unforeseen, and however extraordinary, shall give Subtenant any right to seek redress against Sublandlord for failing to comply with any Laws. Subtenant waives any rights now or hereafter conferred upon it by any existing or future Law to compel Sublandlord to make any repairs to comply with any such Laws, on account of any such occurrence or situation.

10.2. Regulatory Approvals.

(a) Responsible Party. Subtenant understands and agrees that Subtenant's use of the Premises and construction of any Alterations permitted hereunder may require authorizations, approvals or permits from governmental regulatory agencies with jurisdiction over the Premises. Subtenant shall be solely responsible for obtaining any and all such regulatory approvals, including without limitation, any liquor permits or approvals. Subtenant shall not seek any regulatory approval without first obtaining the written consent of Sublandlord. Subtenant shall bear all costs associated with applying for, obtaining and maintaining any necessary or appropriate regulatory approval and shall be solely responsible for satisfying any and all conditions imposed by regulatory agencies as part of a regulatory approval. Any fines or penalties levied as a result of Subtenant's failure to comply with the terms and conditions of any regulatory approval shall be immediately paid and discharged by Subtenant, and Sublandlord shall have no liability, monetary or otherwise, for any such fines or penalties. Subtenant shall indemnify, protect, defend and hold harmless forever ("Indemnify") Sublandlord, City and Master Landlord, including, but not limited to, all of their respective officers, directors, employees, agents, affiliates, subsidiaries, licensees, contractors, boards, commissions, departments, agencies and other subdivisions and each of the persons acting by, through or under each of them, and their respective heirs, legal representatives, successors and assigns, and each of them (the "Indemnified Parties"), against any and all claims, demands, losses, liabilities, damages, liens, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, including, without limitation, reasonable attorneys' and consultants' fees and costs ("Losses") arising in connection with Subtenant's failure to obtain or comply with the terms and conditions of any regulatory approval.

10.3. Compliance with Sublandlord's Risk Management Requirements. Subtenant shall not do anything, or permit anything to be done, in or about the Premises or to any Alterations permitted hereunder that would create any unusual fire risk, and shall take commercially reasonable steps to protect Sublandlord from any potential premises liability. Subtenant shall faithfully observe, at its expense, any and all reasonable requirements of Sublandlord's Risk Manager with respect thereto and with the requirements of any policies of commercial general liability, all risk property or other policies of insurance at any time in force with respect to the Premises and any Alterations as required hereunder.

11. ENCUMBRANCES

11.1. Encumbrance By Subtenant. Notwithstanding anything to the contrary contained in this Sublease, Subtenant shall not under any circumstances whatsoever create any mortgage, deed of trust, assignment of rents, fixture filing, security agreement, or similar security instrument, or other lien or encumbrance or assignment or pledge of an asset as security in any manner against the Premises or Sublandlord's or Subtenant's interest under this Sublease.

12. DAMAGE OR DESTRUCTION

12.1. Damage or Destruction to the Premises. In the case of damage to or destruction of the Premises by earthquake, fire, flood or any other casualty, which (i) is not caused by Subtenant or Subtenant's Agents or Subtenant's Invitees, (ii) is not covered by the insurance described in Section 16 below, (iii) prevents Subtenant from operating the Premises for the purposes stated herein, and (iv) costs more than Twenty thousand Dollars ($20,000) to repair, either party may terminate this Sublease upon thirty (30) days prior written notice and upon any such termination Subtenant shall surrender the Premises in accordance with Section 18 (except for damage caused by a casualty pursuant to which this Sublease may be terminated under this Section 12.1) and both Parties shall be relieved of any liability for such termination or for repairing such damage. If neither Party terminates this Sublease as provided in this Section 12.1, then Subtenant shall, at its sole cost, promptly restore, repair, replace or rebuild the Premises to the condition the Premises were in prior to such damage or destruction, subject to any Alterations made in strict accordance with the requirements of Section 7.1 above. Under no circumstances shall Sublandlord have any obligation to repair, replace or rebuild the Premises in the event of a casualty.

12.2. No Abatement in Rent. In the event of any damage or destruction to the Premises, and if neither party terminates this Sublease as provided in Section 12.1 above, there shall be no abatement in the Rent payable hereunder.

12.3. Waiver. The Parties understand and agree that the foregoing provisions of this Section are intended to govern fully the rights and obligations of the Parties in the event of damage or destruction to the Premises or Alterations, and Sublandlord and Subtenant each hereby waives and releases any right to terminate this Sublease in whole or in part under Sections 1932.2 and 1933.4 of the Civil Code of California or under any similar Laws now or hereafter in effect, to the extent such rights are inconsistent with the provisions hereof.

13. ASSIGNMENT AND SUBLETTING

13.1. Restriction on Assignment and Subletting. Subtenant shall not directly or indirectly (including, without limitation, by merger, acquisition or other transfer of any controlling interest in Subtenant), voluntarily or by operation of Law, sell, assign, encumber, pledge, sublease or otherwise transfer any part of its interest in or rights with respect to the Premises, any Alterations or its interest in this Sublease, or permit any portion of the Premises to be occupied by anyone other than itself, or sublet any portion of the Premises (a "Transfer"), without Sublandlord's prior written consent in each instance, which Sublandlord may grant or withhold in its sole and absolute discretion. Subtenant shall provide Sublandlord with a written notice of its intention to Transfer this Sublease or the Premises, together with a copy of the proposed Transfer agreement at least thirty (30) days prior to the commencement date of the proposed Transfer. Subtenant shall provide Sublandlord with such information regarding the proposed Transfer as Sublandlord may reasonably request.

13.2. Bonus Rental. If Sublandlord consents to a Transfer of any of Subtenant's interest in or rights with respect to the Premises pursuant to Section 13.1 above, then one hundred percent (100%) of any rent or other consideration payable to Subtenant in excess of the Base Rent payable hereunder (or the proportionate share thereof applicable to the portion of the Premises that is subject to the Transfer) shall be paid to Sublandlord immediately upon receipt by Subtenant.

14. DEFAULT; REMEDIES

14.1. Events of Default. Any of the following shall constitute an event of default ("Event of Default") by Subtenant hereunder:

(a) Failure to Pay Rent. Any failure to pay any Rent or any other sums due hereunder, including sums due for utilities, within five (5) days after such sums are due;

(b) Covenants, Conditions and Representations. Any failure to perform or comply with any other covenant, condition or representation made under this Sublease; provided, Subtenant shall have a period of ten (10) days from the date of written notice from Sublandlord of such failure within which to cure such default under this Sublease, or, if such default is not capable of cure within such 10-day period, Subtenant shall have a reasonable period to complete such cure if Subtenant promptly undertakes action to cure such default within such 10-day period and thereafter diligently prosecutes the same to completion and uses its best efforts to complete such cure within sixty (60) days after the receipt of notice of default from Sublandlord.

(c) Vacation or Abandonment. Any abandonment of the Premises for more than fourteen (14) consecutive days; and

(d) Bankruptcy. The appointment of a receiver to take possession of all or substantially all of the assets of Subtenant, or an assignment by Subtenant for the benefit of creditors, or any action taken or suffered by Subtenant under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted.

14.2. Remedies. Upon the occurrence of an Event of Default by Subtenant, Sublandlord shall have the following rights and remedies in addition to all other rights and remedies available to Sublandlord at Law or in equity:

(a) Terminate Sublease and Recover Damages. The rights and remedies provided by California Civil Code Section 1951.2 (damages on termination for breach), including, but not limited to, the right to terminate Subtenant's right to possession of the Premises and to recover the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of rental loss for the same period that

Subtenant proves could be reasonably avoided, as computed pursuant to subsection (b) of such Section 1951.2. Sublandlord's efforts to mitigate the damages caused by Subtenant's breach of this Sublease shall not waive Sublandlord's rights to recover unmitigated damages upon termination.

(b) **Appointment of Receiver**. The right to have a receiver appointed for Subtenant upon application by Sublandlord to take possession of the Premises and to apply any rental collected from the Premises and to exercise all other rights and remedies granted to Sublandlord pursuant to this Sublease.

14.3. **Sublandlord's Right to Cure Subtenant's Defaults**. If Subtenant defaults in the performance of any of its obligations under this Sublease, then Sublandlord may at any time thereafter with three (3) days prior written notice (except in the event of an emergency as determined by Sublandlord where prior notice by Sublandlord is impractical), remedy such Event of Default for Subtenant's account and at Subtenant's expense. Subtenant shall pay to Sublandlord, as Additional Charges, promptly upon demand, all sums expended by Sublandlord, or other costs, damages, expenses or liabilities incurred by Sublandlord, including, without limitation, reasonable attorneys' fees, in remedying or attempting to remedy such Event of Default. Subtenant's obligations under this Section shall survive the termination of this Sublease. Nothing herein shall imply any duty of Sublandlord to do any act that Subtenant is obligated to perform under any provision of this Sublease, and Sublandlord's cure or attempted cure of Subtenant's Event of Default shall not constitute a waiver of Subtenant's Event of Default or any rights or remedies of Sublandlord on account of such Event of Default.

15. RELEASE AND WAIVER OF CLAIMS; INDEMNIFICATION

15.1. **Release and Waiver of Claims**. Subtenant, on behalf of itself and Subtenant's Agents, covenants and agrees that the Indemnified Parties shall not be responsible for or liable to Subtenant for, and, to the fullest extent allowed by any Laws, Subtenant hereby waives all rights against the Indemnified Parties and releases them from, any and all Losses, including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any person or loss or damage to any property, in or about the Premises, from any cause whatsoever, including without limitation, partial or complete collapse of the Premises due to an earthquake or subsidence, except only to the extent such Losses are caused solely by the gross negligence or willful misconduct of the Indemnified Parties. Without limiting the generality of the foregoing:

(a) Subtenant expressly acknowledges and agrees that the Rent payable hereunder does not take into account any potential liability of the Indemnified Parties for any consequential or incidental damages including, but not limited to, lost profits arising out of disruption to Subtenant's uses hereunder. Sublandlord would not be willing to enter into this Sublease in the absence of a complete waiver of liability for consequential or incidental damages due to the acts or omissions of the Indemnified Parties, and Subtenant expressly assumes the risk with respect thereto. Accordingly, without limiting any indemnification obligations of Subtenant or other

waivers contained in this Sublease and as a material part of the consideration for this Sublease, Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action for consequential and incidental damages and covenants not to sue the Indemnified Parties for such damages arising out of this Sublease or the uses authorized hereunder, including, without limitation, any interference with uses conducted by Subtenant pursuant to this Sublease regardless of the cause.

(b) Without limiting any indemnification obligations of Subtenant or other waivers contained in this Sublease and as a material part of the consideration for this Sublease, Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action against, and covenants not to sue the Indemnified Parties under any present or future Laws, statutes, or regulations, including, but not limited to, any claim for inverse condemnation or the payment of just compensation under the law of eminent domain, or otherwise at equity, in the event that Sublandlord terminates this Sublease because of such claim for inverse condemnation or eminent domain.

(c) As part of Subtenant's agreement to accept the Premises in its "As Is" condition as provided herein, and without limiting such agreement and any other waiver contained herein, Subtenant on behalf of itself and its successors and assigns, waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Indemnified Parties from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way be connected with the physical or environmental condition of the Premises and any related improvements or any Laws or regulations applicable thereto or the suitability of the Premises for Subtenant's intended use.

(d) Subtenant acknowledges that it will not be a displaced person at the time this Sublease is terminated, and Subtenant fully RELEASES, WAIVES AND DISCHARGES the Indemnified Parties from any and all Losses and any and all claims, demands or rights against any of the Indemnified Parties under any present and future Laws, including, without limitation, any and all claims for relocation benefits or assistance from the Indemnified Parties under federal and state relocation assistance laws.

(e) Without limiting any other waiver contained herein, Subtenant, on behalf of itself and its successors and assigns, hereby waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Indemnified Parties from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way connected with the Indemnified Parties' decision to Sublease the Premises to Subtenant, regardless of whether or not such decision is or may be determined to be an act of gross negligence or willful misconduct of the Indemnified Parties.

(f) Subtenant covenants and agrees never to file, commence, prosecute or cause to be filed, commenced or prosecuted against the Indemnified Parties any claim, action or proceeding based upon any claims, demands, causes of action, obligations, damages, losses, costs, expenses or

liabilities of any nature whatsoever encompassed by the waivers and releases set forth in this Section 15.1.

(g) In executing these waivers and releases, Subtenant has not relied upon any representation or statement other than as expressly set forth herein.

(h) Subtenant had made such investigation of the facts pertaining to these waivers and releases as it deems necessary and assumes the risk of mistake with respect to such facts. These waivers and releases are intended to be final and binding on Subtenant regardless of any claims of mistake.

(i) In connection with the foregoing releases, Subtenant acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

> **A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.**

Subtenant acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Subtenant realizes and acknowledges that it has agreed upon this Sublease in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The waivers and releases contained herein shall survive any termination of this Sublease.

15.2. Subtenant's Indemnity. Subtenant, on behalf of itself and Subtenant's Agents, shall Indemnify the Indemnified Parties from and against any and all Losses arising out of Subtenant's use of the Premises, including but not limited to, any Losses arising directly or indirectly, in whole or in part, out of: (a) any damage to or destruction of any property owned by or in the custody of Subtenant or Subtenant's Agents or Subtenant's Invitees; (b) any accident, injury to or death of a person, including, without limitation, Subtenant's Agents and Subtenant's Invitees, howsoever or by whomsoever caused, occurring in, on or about the Premises; (c) any default by Subtenant in the observation or performance of any of the terms, covenants or conditions of this Sublease to be observed or performed on Subtenant's part; (d) the use, occupancy, conduct or management, or manner of use, occupancy, conduct or management by Subtenant, Subtenant's Agents or Subtenant's Invitees or any person or entity claiming through or under any of them, of the Premises or any Alterations; (e) any construction or other work undertaken by Subtenant on or about the Premises; and (f) any acts, omissions or negligence of Subtenant, Subtenant's Agents or Subtenant's Invitees, in, on, or about the Premises or any Alterations, except to the extent that such Indemnity is void or otherwise unenforceable under any applicable Laws in effect on or validly retroactive to the date of this Sublease and further except only to the extent such Losses are caused solely by the gross negligence or intentional wrongful acts and omissions of the

Indemnified Parties. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and Sublandlord's costs of investigating any Loss. Subtenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend Sublandlord and the other Indemnified Parties from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Subtenant by Sublandlord and continues at all times thereafter. Subtenant's obligations under this Section shall survive the expiration or sooner termination of this Sublease.

16. INSURANCE

16.1. Subtenant's Insurance. Without in any way limiting Subtenant's liability pursuant to Section 15 hereof, Subtenant shall procure and maintain throughout the Term of this Sublease the following insurance and pay the cost thereof:

(a) Commercial general liability insurance with limits not less than One Million Dollars ($1,000,000) each occurrence combined single limit for bodily injury and property damage, including contractual liability, personal injury, products and completed operations. Such insurance shall provide coverage at least as broad as provided under Insurance Service Form Number CG-00-01-11-88.

(b) Workers' compensation insurance with employer's liability insurance covering all persons employed and with respect to whom death or bodily injury claims could be asserted against Sublandlord, Subtenant, the Premises or any other Sublandlord property, in an amount not less than One Million Dollars ($1,000,000) each accident.

(c) Business automobile liability insurance with limits not less than One Million Dollars ($1,000,000) each occurrence combined single limit for bodily injury and property damage, including owned and non-owned and hired vehicles, if Subtenant uses automobiles in connection with its use of the Premises. Such insurance shall provide coverage at least as broad as provided under Insurance Service Form Number CA-00-01-06-92.

(d) All risk property insurance insuring the Premises including, without limitation, any improvements, Alterations, furniture, fixtures and equipment located thereon, in an amount not less than Five Million Dollars ($5,000,000).

16.2. General Requirements. All insurance provided for under this Sublease shall be effected under valid enforceable policies issued by insurers of recognized responsibility and reasonably approved by Sublandlord.

(a) Should any of the required insurance be provided under a claims-made form, Subtenant shall maintain such coverage continuously throughout the term hereof and, without lapse, for a

period of three (3) years beyond the expiration or termination of this Sublease, to the effect that, should occurrences during the Term give rise to claims made after expiration or termination of this Sublease, such claims shall be covered by such claims-made policies.

(b) Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit shall double the occurrence or claims limits specified above.

(c) All liability insurance policies shall be endorsed to provide the following:

(i) Cover Subtenant as the insured and Sublandlord and the Master Landlord as additional insureds.

(ii) That such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Sublease, and that insurance applies separately to each insured against whom claim is made or suit is brought. Such policies shall also provide for severability of interests and that an act or omission of one of the named insureds which would void or otherwise reduce coverage shall not reduce or void the coverage as to any insured, and shall afford coverage for all claims based on acts, omissions, injury or damage which occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period.

(iii) All policies shall be endorsed to provide thirty (30) days' advance written notice to Sublandlord of cancellation, non-renewal or reduction in coverage, mailed to the address (es) for Sublandlord set forth in Section 20.1.

16.3. Proof of Insurance. Subtenant shall deliver to Sublandlord certificates of insurance in form and with insurers satisfactory to Sublandlord, evidencing the coverages required hereunder, on or before the Commencement Date, together with complete copies of the policies promptly upon Sublandlord's request, and Subtenant shall provide Sublandlord with certificates or policies thereafter at least thirty (30) days before the expiration dates of expiring policies. As to the insurance required pursuant to Section 16.1(a) above, such certificate shall state, among other things, that such insurance coverage includes and shall cover Subtenant's indemnity obligations under Section 15.2 above. In the event Subtenant shall fail to procure such insurance, or to deliver such certificates or policies, Sublandlord may, at its option, procure the same for the account of Subtenant, and the cost thereof shall be paid to Sublandlord within five (5) days after delivery to Subtenant of bills therefor.

16.4. No Limitation on Indemnities. Subtenant's compliance with the provisions of this Section shall in no way relieve or decrease Subtenant's indemnification obligations herein or any of Subtenant's other obligations or liabilities under this Sublease.

16.5. Lapse of Insurance. Notwithstanding anything to the contrary in this Sublease, Sublandlord may elect in Sublandlord's sole and absolute discretion to terminate this Sublease upon the lapse of any required insurance coverage by written notice to Subtenant.

16.6. Subtenant's Personal Property. Subtenant shall be responsible, at its expense, for separately insuring Subtenant's Personal Property.

16.7. Waiver of Subrogation. Notwithstanding anything to the contrary contained herein, to the extent permitted by their respective policies of insurance, Sublandlord and Subtenant each hereby waive any right of recovery against the other party and against any other party maintaining a policy of insurance covering the Premises and their contents, or any portion thereof, for any loss or damage maintained by such other party with respect to the Premises, or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party. If any policy of insurance relating to the Premises carried by Subtenant does not permit the foregoing waiver or if the coverage under any such policy would be invalidated due to such waiver, Subtenant shall obtain, if possible, from the insurer under such policy a waiver of all rights of subrogation the insurer might have against Sublandlord or any other party maintaining a policy of insurance covering the same loss, in connection with any claim, loss or damage covered by such policy.

17. ACCESS BY SUBLANDLORD

17.1. Access to Premises by Sublandlord.

(a) General Access. Sublandlord reserves for itself and Sublandlord's Agents, the right to enter the Premises and any portion thereof at all reasonable times upon not less than twenty-four (24) hours oral or written notice to Subtenant (except in the event of an emergency) for any purpose.

(b) Emergency Access. In the event of any emergency, as determined by Sublandlord, Sublandlord may, at its sole option and without notice, enter the Premises and alter or remove any Alterations or Subtenant's Personal Property on or about the Premises. Sublandlord shall have the right to use any and all means Sublandlord considers appropriate to gain access to any portion of the Premises in an emergency. In such case, Sublandlord shall not be responsible for any damage or injury to any such property, nor for the replacement of any such property and any such emergency entry shall not be deemed to be a forcible or unlawful entry onto or a detainer of, the Premises, or an eviction, actual or constructive, of Subtenant from the Premises or any portion thereof.

(c) No Liability. Sublandlord shall not be liable in any manner, and Subtenant hereby waives any claims, for any inconvenience, disturbance, loss of business, nuisance or other damage arising out of Sublandlord's entry onto the Premises, except damage resulting directly and exclusively from the gross negligence or willful misconduct of Sublandlord or Sublandlord's

Agents and not contributed to by the acts, omissions or negligence of Subtenant, Subtenant's Agents or Subtenant's Invitees.

17.2. Access to Premises by Master Landlord. Subtenant acknowledges and agrees that Master Landlord shall have all of the rights of access to the Premises described in the Master Lease.

18. SURRENDER

18.1. Surrender of the Premises. Upon the termination of this Sublease, Subtenant shall surrender to Sublandlord the Premises in the same condition as of the Commencement Date, ordinary wear and tear excepted, and free and clear of all liens, easements and other encumbrances created or suffered by, through or under Subtenant. On or before any termination hereof, Subtenant shall, at its sole cost, remove any and all of Subtenant's Personal Property from the Premises and demolish and remove any and all Alterations from the Premises (except for any Alterations that Sublandlord agrees are to remain part of the Premises pursuant to the provisions of Section 7.3 above). In addition, Subtenant shall, at its sole expense, repair any damage to the Premises resulting from the removal of any such items and restore the Premises to their condition immediately prior to the presence of any Alterations. In connection therewith, Subtenant shall obtain any and all necessary permits and approvals, including, without limitation, any environmental permits, and execute any manifests or other documents necessary to complete the demolition, removal or restoration work required hereunder. Subtenant's obligations under this Section shall survive the termination of this Sublease. Any items of Subtenant's Personal Property remaining on or about the Premises after the termination of this Sublease may, at Sublandlord's option and after thirty (30) days written notice to Subtenant, be deemed abandoned and in such case Sublandlord may dispose of such property in accordance with Section 1980, et seq., of the California Civil Code or in any other manner allowed by Law.

18.2. No Holding Over. If Subtenant fails to surrender the Premises to Sublandlord upon the termination of this Sublease as required by this Section, Subtenant shall Indemnify Sublandlord against all Losses resulting therefrom, including, without limitation, Losses made by a succeeding Subtenant resulting from Subtenant's failure to surrender the Premises. Subtenant shall have no right to hold over without the prior written consent of Sublandlord, which consent may be withheld in Sublandlord's sole and absolute discretion. If Sublandlord holds over the Premises or any part thereof after expiration or earlier termination of this Sublease, such holding over shall be terminable upon written notice by Sublandlord, and the Base Rent shall be increased to two hundred percent (200%) of the Base Rent in effect immediately prior to such holding over, and such holdover shall otherwise be on all the other terms and conditions of this Sublease. This Section shall not be construed as Sublandlord's permission for Subtenant to hold over. Acceptance of any holdover Base Rent by Sublandlord following expiration or termination of this Sublease shall not constitute an extension or renewal of this Sublease.

18.3. Security Deposit. Subtenant shall pay to Sublandlord upon execution of this Sublease a

security deposit in the amount of Six Thousand Dollars ($6,000) as security for the faithful performance of all terms, covenants and conditions of this Sublease. Subtenant agrees that Sublandlord may (but shall not be required to) apply the security deposit in whole or in part to remedy any damage to the Premises caused by Subtenant, Subtenant's Agents or Subtenant's Invitees, or any failure of Subtenant to perform any other terms, covenants or conditions contained in this Sublease, without waiving any of Sublandlord's other rights and remedies hereunder or at Law or in equity. Should Sublandlord use any portion of the security deposit to cure any Event of Default by Subtenant hereunder, Subtenant shall immediately replenish the security deposit to the original amount, and Subtenant's failure to do so within five (5) days of Sublandlord's notice shall constitute a material Event of Default under this Sublease. Sublandlord's obligations with respect to the security deposit are solely that of debtor and not trustee. Sublandlord shall not be required to keep the security deposit separate from its general funds, and Subtenant shall not be entitled to any interest on such deposit. The amount of the security deposit shall not be deemed to limit Subtenant's liability for the performance of any of its obligations under this Sublease. To the extent that Sublandlord is not entitled to retain or apply the security deposit pursuant to this Section 18.3, Sublandlord shall return such security deposit to Sublandlord within forty-five (45) days of the termination of this Sublease.

19. HAZARDOUS MATERIALS

19.1. No Hazardous Materials. Subtenant covenants and agrees that neither Subtenant nor any of Subtenant's Agents or Subtenant's Invitees shall cause or permit any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment, including, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended (42 U.S.C. Sections 9601 et seq.), or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of any existing improvements on the Premises, or are naturally occurring substances on, in or about the Premises; and petroleum, including crude oil or any fraction thereof, and natural gas or natural gas liquids ("Hazardous Material") to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises or transported to or from the Premises without the prior written approval of Sublandlord, which approval may be withheld in Sublandlord's sole and absolute discretion. Subtenant shall immediately notify Sublandlord if and when Subtenant learns or has reason to believe there has been any release of Hazardous Material in, on or about the Premises. Sublandlord may from time to time request Subtenant to provide adequate information for Sublandlord to determine that any Hazardous Material permitted hereunder is being handled in compliance with all applicable federal, state or local Laws or policies relating to Hazardous Material (including, without limitation, its use, handling, transportation, production, disposal, discharge or storage) or to human health and safety, industrial hygiene or environmental

conditions in, on, under or about the Premises and any other property, including, without limitation, soil, air and groundwater conditions ("Environmental Laws"), and Subtenant shall promptly provide all such information. Sublandlord and Sublandlord's Agents shall have the right to inspect the Premises for Hazardous Material and compliance with the provisions hereof at all reasonable times upon reasonable advance oral or written notice to Subtenant (except in the event of an emergency). Subtenant agrees that it shall comply, without limiting the foregoing, with the provisions of Article 21 of the San Francisco Health Code including, without limitation, regarding obtaining and complying with the requirements of an approved hazardous materials management plan, and with the requirements of the environmental protection provisions provided for in Section 13 of the Master Lease.

19.2. Subtenant's Environmental Indemnity. If Subtenant breaches any of its obligations contained in Section 19.1 above, or, if any act or omission or negligence of Subtenant or any of Subtenant's Agents or Subtenant's Invitees results in any spilling, leaking, pumping, pouring, emitting, discharging, injecting, escaping, leeching or dumping ("Release") of Hazardous Material in, on, under or about the Premises or the Property, without limiting Subtenant's general Indemnity contained in Section 15.2 above, Subtenant, on behalf of itself and Subtenant's Agents, shall Indemnify the Indemnified Parties, and each of them, from and against any and all enforcement, investigation, remediation or other governmental or regulatory actions, agreements or orders threatened, instituted or completed pursuant to any Environmental Laws together with any and all Losses made or threatened by any third party against Sublandlord, Sublandlord's Agents, or the Premises, relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence, Release or discharge of any Hazardous Materials, including, without limitation, Losses based in common law, investigation and remediation costs, fines, natural resource damages, damages for decrease in value of the Premises, the loss or restriction of the use or any amenity of the Premises and attorneys' fees and consultants' fees and experts' fees and costs ("Hazardous Materials Claims") arising during or after the Term of this Sublease and relating to such Release. The foregoing Indemnity includes, without limitation, all costs associated with the investigation and remediation of Hazardous Material and with the restoration of the Premises or the Property to its prior condition including, without limitation, fines and penalties imposed by regulatory agencies, natural resource damages and losses, and revegetation of the Premises or other Sublandlord property. Without limiting the foregoing, if Subtenant or any of Subtenant's Agents or Subtenant's Invitees, causes or permits the Release of any Hazardous Materials in, on, under or about the Premises or the Property, Subtenant shall, immediately, at no expense to Sublandlord, take any and all appropriate actions to return the Premises or other Sublandlord property affected thereby to the condition existing prior to such Release and otherwise investigate and remediate the Release in accordance with all Environmental Laws. Subtenant shall provide Sublandlord with written notice of and afford Sublandlord a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, permit, approvals, or other compromise or proceeding involving Hazardous Material.

19.3. Acknowledgment of Receipt of EBS and FOSL Reports. Subtenant hereby

acknowledges for itself and Subtenant's Agents that, prior to the execution of this Sublease, it has received and reviewed the Environmental Baseline Survey ("EBS") and the Finding of Suitability to Lease ("FOSL") described in Section 7 of the Master Lease. California law requires landlords to disclose to tenants the presence or potential presence of certain Hazardous Materials. Accordingly, Subtenant is hereby advised that occupation of the Premises may lead to exposure to Hazardous Materials such as, but not limited to, gasoline, diesel and other vehicle fluids, vehicle exhaust, office maintenance fluids, tobacco smoke, methane and building materials containing chemicals, such as formaldehyde. Further, there are Hazardous Materials located on the Premises as described in the EBS and the FOSL. In addition, California's Proposition 65, Health and Safety Code Section 25249.6 et seq., requires notice that some of these Hazardous Materials are known by the State of California to cause cancer or reproductive harm. By execution of this Sublease, Subtenant acknowledges that the notices and warnings set forth above satisfy the requirements of California Health and Safety Code Sections 25249.6 et seq., 25359.7 and related statutes.

20. GENERAL PROVISIONS

20.1. Notices. Except as otherwise expressly provided in this Sublease, any notice given hereunder shall be effective only in writing and given by delivering the notice in person, or by sending it first class mail or certified mail with a return receipt requested or reliable commercial overnight courier, return receipt requested, with postage prepaid as follows:

Notice Address of Sublandlord:	Treasure Island Development Authority Treasure Island Project Office 410 Avenue of Palms Building 1, 2nd Floor Treasure Island San Francisco, CA 94130 Attn: Director of Island Operations Fax No.: 415-274-0299
With a copy to:	Office of the City Attorney City Hall, Room 234 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 Attn: Eileen Malley Fax No.: (415) 554-4755

Notice Address of Subtenant:	Pro Transport-1, LLC 311 Professional Center Dr. Suite #150 Rohnert Park, CA. 94928 Attn: Mike Sechrist Fax No.: 707-585-6346
Notice Address of Master Landlord:	DEPARTMENT OF THE NAVY BASE REALIGNMENT AND CLOSURE PROGRAM MANAGEMENT OFFICE WEST 1455 FRAZEE ROAD, SUITE 900 SAN DIEGO, CA 92108-4310

Any Party hereunder may designate a new address for notice purposes hereunder at least ten (10) days prior to the effective date of such change. Any notice hereunder shall be deemed to have been given two (2) days after the date when it is mailed if sent by first class or certified mail, one day after the date it is made, if sent by commercial overnight carrier, or upon the date personal delivery is made, and any refusal by either Party to accept the attempted delivery of any notice, if such attempted delivery is in compliance with this Section 20.1 and applicable Laws, shall be deemed receipt of such notice.

20.2. No Implied Waiver. No failure by Sublandlord to insist upon the strict performance of any obligation of Subtenant under this Sublease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, no acceptance of full or partial payment of Rent due hereunder during the continuance of any such breach, and no acceptance of the keys to or possession of the Premises prior to the expiration of the Term by any Agent of Sublandlord, shall constitute a waiver of such breach or of Sublandlord's right to demand strict compliance with such term, covenant or condition or operate as a surrender of this Sublease. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. The consent of Sublandlord given in any instance under the terms of this Sublease shall not relieve Subtenant of any obligation to secure the consent of Sublandlord in any other or future instance under the terms of this Sublease.

20.3. Amendments. Neither this Sublease nor any term or provision hereof may be changed, waived, discharged or terminated, except by a written instrument signed by the Parties hereto.

20.4. Authority. If Subtenant signs as a corporation, a partnership or a limited liability company, each of the persons executing this Sublease on behalf of Subtenant does hereby covenant and warrant that Subtenant is a duly authorized and existing entity, that Subtenant has

and is qualified to do business in California, that Subtenant has full right and authority to enter into this Sublease, and that each and all of the persons signing on behalf of Subtenant are authorized to do so. Upon Sublandlord's request, Subtenant shall provide Sublandlord with evidence reasonably satisfactory to Sublandlord confirming the foregoing representations and warranties. Without limiting the generality of the foregoing, Subtenant represents and warrants that it has full power to make the waivers and releases, indemnities and the disclosures set forth herein, and that it has received independent legal advice from its attorney as to the advisability of entering into a sublease containing those provisions and their legal effect.

20.5. Joint and Several Obligations. The word "Subtenant" as used herein shall include the plural as well as the singular. If there is more than one Subtenant, the obligations and liabilities under this Sublease imposed on Subtenant shall be joint and several.

20.6. Interpretation of Sublease. The captions preceding the articles and sections of this Sublease and in the table of contents have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this Sublease. This Sublease has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the party responsible for drafting any part of this Sublease. Provisions in this Sublease relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or Sublandlord holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words shall not be construed to limit any general term, statement or other matter in this Sublease, whether or not language of non-limitation, such as "without limitation" or similar words, are used. Unless otherwise provided herein, whenever the consent of Sublandlord is required to be obtained by Subtenant hereunder, Sublandlord may give or withhold such consent in its sole and absolute discretion.

20.7. Successors and Assigns. Subject to the provisions of Section 13, the terms, covenants and conditions contained in this Sublease shall bind and inure to the benefit of Sublandlord and Subtenant and, except as otherwise provided herein, their personal representatives and successors and assigns; provided, however, that upon any transfer by Sublandlord (or by any subsequent Sublandlord) of its interest in the Premises as lessee, including any transfer by operation of Law, Sublandlord (or any subsequent Sublandlord) shall be relieved from all subsequent obligations and liabilities arising under this Sublease subsequent to such transfer.

20.8. Brokers. Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the Sublease contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party

through whom the broker or finder makes a claim shall be responsible for such commission or fee and shall Indemnify the other party from any and all Losses incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination of this Sublease.

20.9. Severability. If any provision of this Sublease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Sublease, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Sublease shall be valid and be enforceable to the fullest extent permitted by Law.

20.10. Governing Law. This Sublease shall be construed and enforced in accordance with the Laws of the State of California and the federal government.

20.11. Entire Agreement. This instrument (including the exhibits hereto, which are made a part of this Sublease) contains the entire agreement between the Parties and supersedes all prior written or oral negotiations, discussions, understandings and agreements. The Parties further intend that this Sublease shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts of this Sublease and any changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Sublease. Subtenant hereby acknowledges that neither Sublandlord nor Sublandlord's Agents have made any representations or warranties with respect to the Premises or this Sublease except as expressly set forth herein, and no rights, easements or licenses are or shall be acquired by Subtenant by implication or otherwise unless expressly set forth herein.

20.12. Attorneys' Fees. In the event that either Sublandlord or Subtenant fails to perform any of its obligations under this Sublease or in the event a dispute arises concerning the meaning or interpretation of any provision of this Sublease, the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder (whether or not such action is prosecuted to judgment), including, without limitation, court costs and reasonable attorneys' fees. For purposes of this Sublease, reasonable fees of attorneys in the Office of the San Francisco City Attorney (Sublandlord's General Counsel) shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City and County of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney. Further, for purposes of this Sublease, the term "attorneys' fees" shall mean the fees and expenses of counsel to the Parties, which may include printing, duplicating and other expenses, air freight charges, hiring of experts, and fees billed for law clerks, paralegals, librarians and others not admitted to the bar but performing services under the supervision of an attorney. The term "attorneys' fees" shall also include, without limitation, all such fees and expenses incurred with respect to appeals, mediations, arbitrations, and bankruptcy proceedings,

and whether or not any action is brought with respect to the matter for which such fees and costs were incurred. The term "attorney" shall have the same meaning as the term "counsel".

20.13. Time of Essence. Time is of the essence with respect to all provisions of this Sublease in which a definite time for performance is specified.

20.14. Cumulative Remedies. All rights and remedies of either party hereto set forth in this Sublease shall be cumulative, except as may otherwise be provided herein.

20.15. Survival of Indemnities. Termination of this Sublease shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Sublease, nor shall it affect any provision of this Sublease that expressly states it shall survive termination hereof. Subtenant specifically acknowledges and agrees that, with respect to each of the indemnities contained in this Sublease, Subtenant has an immediate and independent obligation to defend Sublandlord and the other Indemnified Parties from any claim which actually or potentially falls within the indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Subtenant by Sublandlord and continues at all times thereafter.

20.16. Relationship of Parties. Sublandlord is not, and none of the provisions in this Sublease shall be deemed to render Sublandlord, a partner in Subtenant's business, or joint venturer or member in any joint enterprise with Subtenant. This Sublease is not intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided. The granting of this Sublease by Sublandlord does not constitute authorization or approval by Sublandlord of any activity conducted by Subtenant on, in or relating to the Premises.

20.17. Recording. Subtenant agrees that it shall not record this Sublease nor any memorandum or short form hereof in the official records of any county.

20.18. Non-Liability of Indemnified Parties' Officials, Employees and Agents. No elective or appointive board, commission, member, officer or employee of any of the Indemnified Parties shall be personally liable to Subtenant, its successors and assigns, in the event of any default or breach by Sublandlord or for any amount which may become due to Subtenant, its successors and assigns, or for any obligation of Sublandlord under this Sublease.

20.19. No Discrimination. Subtenant shall comply with the non-discrimination provisions of Section 19.1 of the Master Lease, including, without limitation, posting all notices required therein.

20.20. Counterparts. This Sublease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

20.21. Master Landlord's Consent. This Sublease is expressly conditioned upon receipt of the written consent of Master Landlord.

20.22. Deleted by Agreement of Parties

20.23. Deleted by Agreement of Parties

20.24. Deleted by Agreement of Parties

21. SPECIAL PROVISIONS

21.1. Signs. Subtenant agrees that it will not erect or maintain, or permit to be erected or maintained, any signs, notices or graphics upon or about the Premises which are visible in or from public corridors or other portions of any common areas of the Premises or from the exterior of the Premises, without Sublandlord's prior written consent, which Sublandlord may withhold or grant in its sole discretion.

21.2. Public Transit Information. Subtenant shall establish and carry on during the Term a program to encourage maximum use of public transportation by personnel of Subtenant employed on the Premises, including, without limitation, the distribution to such employees of written materials explaining the convenience and availability of public transportation facilities adjacent or proximate to the Premises and encouraging use of such facilities, all at Subtenant's sole expense.

21.3. TIHDI Job Broker. Subtenant shall comply with the requirements of the TIHDI Work Force Hiring Plan attached hereto as Exhibit F.

21.4. Local Hiring. Subtenant further agrees to use good faith efforts to hire residents of the City and County of San Francisco at all levels of Subtenant's personnel needs and to contract with local businesses for Subtenant's purchase of supplies, materials, equipment or services.

21.5. Non-Discrimination in City Contracts and Benefits Ordinance.

(a) Covenant Not to Discriminate. In the performance of this Sublease, Subtenant covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with, Subtenant in any of Subtenant's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Subtenant.

(b) Sub-Subleases and Other Subcontracts. Subtenant shall include in all sub-subleases and other subcontracts relating to the Premises a non-discrimination clause applicable to such sub-subtenant or other subcontractor in substantially the form of subsection (a) above. In addition, Subtenant shall incorporate by reference in all sub-subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all sub-subtenants and other subcontractors to comply with such provisions. Subtenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Sublease.

(c) Non-Discrimination in Benefits. Subtenant does not as of the date of this Sublease and will not during the Term, in any of its operations or in San Francisco or with respect to its operations under this Sublease elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) HRC Form. As a condition to this Sublease, Subtenant shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission (the "HRC"). Subtenant hereby represents that prior to execution of this Sublease, (i) Subtenant executed and submitted to the HRC Form HRC-128-101 with supporting documentation; and (ii) the HRC approved such form.

(e) Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Subtenant shall comply fully with and be bound by all of the provisions that apply to this Sublease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Subtenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of Fifty Dollars ($50.00) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Sublease may be assessed against Subtenant and/or deducted from any payments due Subtenant.

21.6. No Relocation Assistance; Waiver of Claims. Subtenant acknowledges that it will not be a displaced person at the time this Sublease is terminated or expires by its own terms, and Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all Claims against,

and covenants not to sue, Sublandlord, its departments, commissions, officers, directors and employees, and all persons acting by, through or under each of them, under any laws, including, without limitation, any and all claims for relocation benefits or assistance from Sublandlord under federal and state relocation assistance laws (including, but not limited to, California Government Code Section 7260, et seq.), except as otherwise specifically provided in this Sublease with respect to a condemnation of the Premises.

21.7. MacBride Principles - Northern Ireland. The City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Subtenant acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

21.8. Tropical Hardwood and Virgin Redwood Ban. The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood product. Except as expressly permitted by the application of Section 802(b) and 803(b) of the San Francisco Environment Code, Subtenant shall not provide any items to the construction of tenant improvements or Alterations in the Premises, or otherwise in the performance of this Sublease, which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Subtenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environment Code, Subtenant shall be liable for liquidated damages for each violation in an amount equal to Subtenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

21.9. Conflicts of Interest. Subtenant states that it is familiar with the provisions of Section 8.105 and 8.106 of the San Francisco Charter and certifies that it knows of no facts which would constitute a violation of such provisions. Subtenant further certifies that it has made a complete disclosure to the Sublandlord of all facts bearing on any possible interests, direct or indirect, which Subtenant believes any officer or employee of the Sublandlord presently has or will have in this Sublease or in the performance thereof or in any portion of the profits thereof. Willful failure by Subtenant to make such disclosure, if any, shall constitute grounds for the Sublandlord's termination and cancellation of this Sublease.

21.10. Wages and Working Conditions. Subtenant agrees that any person performing labor in the construction of any tenant improvements and any Alterations to the Premises, which Subtenant provides under this Sublease, shall be paid not less than the highest prevailing rate of wages as required by Section 6.22(E) of the San Francisco Administrative Code, shall be subject to the same hours and working conditions, and shall receive the same benefits as in each case are provided for similar work performed in San Francisco, California. Subtenant shall include, in any contract for construction of such tenant improvements and Alterations, a requirement that all

persons performing labor under such contract shall be paid not less than the highest prevailing rate of wages for the labor so performed. Subtenant shall require any contractor to provide, and shall deliver to Sublandlord upon request, certified payroll reports with respect to all persons performing labor in the construction of such tenant improvement work or any Alterations to the Premises.

21.11. Prohibition of Tobacco Advertising. Subtenant acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of Sublandlord or the City, including the Premises and the Property. This prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

21.12. Pesticide Prohibition. Subtenant shall comply with the provisions of Section 308 of Chapter 3 of the San Francisco Environment Code (the "Pesticide Ordinance") which **(i)** prohibit the use of certain pesticides on City property, **(ii)** require the posting of certain notices and the maintenance of certain records regarding pesticide usage and **(iii)** require Subtenant to submit to Sublandlord an integrated pest management ("IPM") plan that **(a)** lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Subtenant may need to apply to the Premises during the terms of this Sublease, **(b)** describes the steps Subtenant will take to meet the City's IPM Policy described in Section 300 of the Pesticide Ordinance and **(c)** identifies, by name, title, address and telephone number, an individual to act as Subtenant's primary IPM contact person with the City. In addition, Subtenant shall comply with the requirements of Sections 303(a) and 303(b) of the Pesticide Ordinance.

21.13. First Source Hiring Ordinance. The City has adopted a First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264 98) which establishes specific requirements, procedures and monitoring for first source hiring of qualified economically disadvantaged individuals for entry level positions. Within thirty (30) days after Sublandlord adopts a First Source Hiring Implementation and Monitoring Plan in accordance with the First Source Hiring Ordinance, Subtenant shall enter into a First Source Hiring Agreement that meets the applicable requirements of Section 83.9 of the First Source Hiring Ordinance.

21.14. Sunshine Ordinance. In accordance with Section 67.24(e) of the San Francisco Administrative Code, contracts, contractors' bids, leases, agreements, responses to Requests for Proposals, and all other records of communications between City departments and persons or firms seeking contracts will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract, lease, agreement or other benefit until and unless that person or organization is awarded the contract, lease, agreement or benefit. Information provided which is covered by this Section will be made

available to the public upon request.

21.15. Conflicts of Interest. Through its execution of this Sublease, Subtenant acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provisions, and agrees that if Subtenant becomes aware of any such fact during the Term of this Sublease, Subtenant shall immediately notify Sublandlord.

21.16. Charter Provision. This Sublease is governed by and subject to the provisions of the Charter of the City and County of San Francisco.

21.17. Requiring Health Benefits for Covered Employees. Unless exempt, Subtenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated herein by reference and made a part of this Sublease as though fully set forth. The text of the HCAO is available on the web at www.dph.sf.ca.us/HCRes/Resolutions/2004Res/HCRes102004.shtml. Capitalized terms used in this Section and not defined in this Sublease shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Subtenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Subtenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if Subtenant is a small business as defined in Section 12Q.3(d) of the HCAO, it shall have no obligation to comply with Subsection (a) above.

(c) Subtenant's failure to comply with the HCAO shall constitute a material breach of this Sublease. Sublandlord shall notify Subtenant if such a breach has occurred. If, within thirty (30) days after receiving City's written notice of a breach of this Sublease for violating the HCAO, Subtenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Subtenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, Sublandlord shall have the right to pursue the remedies set forth in Section 12Q.5(f)(1-5). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to Sublandlord.

(d) Any Subcontract entered into by Subtenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Subtenant shall notify City's Purchasing Department when it

enters into such a Subcontract and shall certify to the Purchasing Department that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Subtenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the Sublandlord may pursue the remedies set forth in this Section against Subtenant based on the Subcontractor's failure to comply, provided that Sublandlord has first provided Subtenant with notice and an opportunity to obtain a cure of the violation.

(e) Subtenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying Sublandlord with regard to Subtenant's compliance or anticipated compliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Subtenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Subtenant shall keep itself informed of the current requirements of the HCAO.

(h) Subtenant shall provide reports to Sublandlord in accordance with any reporting standards promulgated by Sublandlord under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(i) Subtenant shall provide Sublandlord with access to records pertaining to compliance with the HCAO after receiving a written request from Sublandlord to do so and being provided at least five (5) business days to respond.

(j) Sublandlord may conduct random audits of Subtenant to ascertain its compliance with HCAO. Subtenant agrees to cooperate with Sublandlord when it conducts such audits.

(k) If Subtenant is exempt from the HCAO when this Sublease is executed because its amount is less than Twenty-Five Thousand Dollars ($25,000), but Subtenant later enters into an agreement or agreements that cause Subtenant's aggregate amount of all agreements with Sublandlord to reach Seventy-Five Thousand Dollars ($75,000), all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Subtenant and the Contracting Department to be equal to or greater than Seventy-Five Thousand Dollars ($75,000) in the fiscal year.

21.18. Notification of Limitations on Contributions. Through its execution of this Sublease, Subtenant acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing of any land or building to or from the City whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves,

from making any campaign contribution to the officer at any time from the commencement of negotiations for such contract until the termination of negotiations for such contract or three (3) months has elapsed from the date the contract is approved by the City elective officer, or the board on which that City elective officer serves. San Francisco Ethics Commission Regulation 1.126-1 provides that negotiations are commenced when a prospective contractor first communicates with a City officer or employee about the possibility of obtaining a specific contract. This communication may occur in person, by telephone or in writing, and may be initiated by the prospective contractor or a City officer or employee. Negotiations are completed when a contract is finalized and signed by the City and the contractor. Negotiations are terminated when the City and/or the prospective contractor end the negotiation process before a final decision is made to award the contract.

21.19. Preservation-Treated Wood Containing Arsenic. As of July 1, 2003, Subtenant may not purchase preservative-treated wood products containing arsenic in the performance of this Sublease unless an exemption from the requirements of Environment Code Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Subtenant may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude Subtenant from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

Sublandlord and Subtenant have executed this Sublease in triplicate as of the date first written above.

SUBTENANT:

ProTransport-1, LLC,
a California Limited Liability Corporation

By: _____
Its: _____

SUBLANDLORD:

Treasure Island Development Authority

By: _____
Its: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

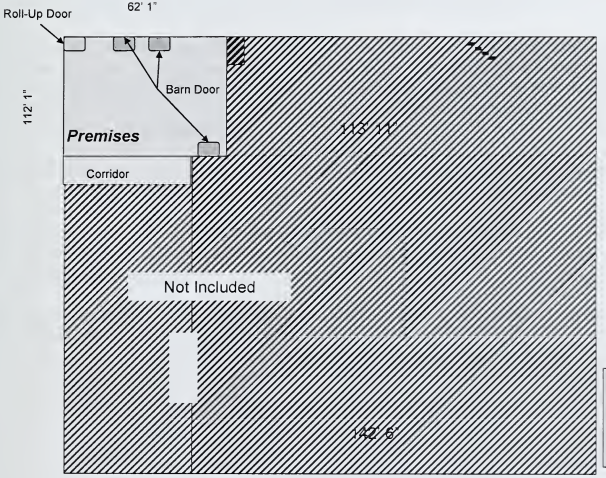
By: _____
Deputy City Attorney

EXHIBIT A

MASTER LEASE

EXHIBIT B

DIAGRAM OF PREMISES



Premises – ProTransport 1(6,958 sf)

November 17

EXHIBIT C

COVER PAGE OF THE SEISMIC REPORT

EXHIBIT D

RULES AND REGULATIONS

1. All rules and regulations set out in the Master Lease shall prevail.

2. No signs, advertisements or notices shall be attached to, or placed on, the exterior or interior of the Building or elsewhere on the Island, without prior written approval of the Sublandlord. Such signs must be removed within 24 hours of vacancy, or the termination of the approved event of activity, or at the request of the Sublandlord.

3. Subtenant's contractors and invitees, while on the Premises or Subtenant's parking areas shall be subject to these Rules and Regulations, and will be subject to direction from Sublandlord and its agents, but will not be an agent or contractor of the Sublandlord ort its agents. Subtenants' Contractors shall be licensed, insured and bonded at the amount requested by the Sublandlord.

4. Subtenant shall install and maintain at Subtenant's expenses, any life safety equipment required by governmental rules, regulations or laws to be kept on the Premises.

5. Subtenant shall be solely responsible for all janitorial and cleaning services, including general maintenance and cleanliness of the Premises as well as parking lots and landscaped areas adjacent to the Premises.

6. Under Section 8.1 of the Sublease, Subtenant shall be solely responsible for all major capital improvements and repairs to the facilities, including major roof repairs as well as all minor repairs and maintenance of the Premises, including minor plumbing, electrical and building repairs. Subtenant shall notify Sublandlord of all conditions requiring repair and all repairs made to the Premises by the Subtenant within 10 days of Subtenant receiving notice of conditions requiring repair.

EXHIBIT E

STANDARD UTILITIES AND SERVICES AND RATES

Tenant shall be responsible for all utilities services to the premises.
Utilities shall be provided by the San Francisco Public Utilities Commission
Contact San Francisco Public Commission for rates and terms of service.

Attn: Mr. Vic Zorzynski (415) 274-0333

EXHIBIT F

WORKFORCE HIRING AGREEMENT

Contact Treasure Island Homeless Development Initiative
Attn: Ms. Sherry Williams (415) 274-0311

AGENDA ITEM 14
Treasure Island Development Authority
City and County of San Francisco
January 10, 2006

Subject: Update on Implementation of Recommendations Made by the Office of the Controller's Audit of the Authority (*Discussion Item*)

Contact: Mirian Saez, Director of Island Operations
Treasure Island Development Authority
(415) 274-0660

BACKGROUND:

At it's October 17th, 2005 meeting the Treasure Island Development Authority Board approved Resolution 05-040-10/17, authorizing a contract with the Office of the Controller for a Management Audit of the Authority. The findings of this audit were presented to the Authority Board at its December 14th, 2005 meeting. At that meeting, the Authority Board convened an Audit Committee Working Group to review the findings contained in the Controller's Audit and to provide recommendations to the Authority Board on how to proceed. The working group presented its findings at the March 22, 2006 Authority Board meeting, and at its April 17th, 2006 meeting the Authority Board approved a plan establishing a Project Office staff, housed in the Office of the City Administrator, to provide staffing services to the Authority.

Additionally, acting Executive Director Joanne Sakai, Deputy Director of the San Francisco Redvelopment Agency, provided a memo at the February 22, 2006 meeting updating the Authority Board on the progress to date on implementing the Audit recommendation. The attached Audit response incorporates both the Audit Working Group recommendations plus Ms. Sakai's progress report. Further, this update provides current information on the Controller's recommendations and sets forth timelines for unimplemented and uncompleted recommendations.

Exhibit A: Draft Response to Controller's 2005 Treasure Island Development Authority Audit Recomendations.

Prepared by Mirian Saez, Director of Island Operations

Item # 14

Exhibit A

Provided Under Separate Cover

AGENDA ITEM #16
Treasure Island Development Authority
City and County of San Francisco
January 10, 2007

Subject: **Informational Presentation on Policy for Special Events on Treasure Island and Event Venue Rate Schedule.**

Staff Contact/Phone: Mirian Saez,
Director of Island Operations
415-274-0660

SUMMARY OF PROPOSED ACTION

This informational presentation is for consideration to establish a Rental Policy for Special Events and to adopt an Event Venue Rate Schedule for use of venues. This Policy and Rate Schedule will allow the Director of Island Operations to consistently and expeditiously enter into Use Permit agreements for use of the event venues on Treasure Island and Yerba Buena Island. This Policy and Rate Schedule will apply to all event rentals, both public and private, which make use of indoor or outdoor space on Treasure Island and Yerba Buena Island.

BACKGROUND:

The Treasure Island Development Authority manages multiple event venues on Treasure Island and Yerba Buena Island that are available for rent. The venues include: the Building 1 Lobby, the Chapel, the Casa de la Vista, the Fogwatch Picnic Area, the Nimitz House, the Fogwatch, the Nimitz Conference Center, the Great Lawn, Building 180, and the Sports Field.

Due to the constant and unvarying request for rental of space, both market rate and discounted rate, Project Staff determined that a Rental Policy and Rate Schedule are needed to assure transparency in our transactions. Thus, a Rental Policy, attached as Exhibit A, has been drafted to properly administer the rental of the event venues. Included in the Rental Policy are: Standard, Holiday, Non-Profit, Off-Peak, Discounted, Reduced, Waived, and At-Cost Rates. Also incorporated in the Rental Policy are Additional Fees, Security Deposits, and an Annual Review of Rates. The revenue from the event venues for the first half of fiscal year 2006-2007 totaled $342,617.

Each venue is available for rent by the public at competitive rates that have been established as a result of market surveys conducted by Project Staff. The current Event Venue Rate Schedule is attached as Exhibit B. The Rate Schedule for special events on Treasure Island has not been reviewed, adjusted, or increased since March 2005. Nor has TIDA ever adopted the Rate Schedule. Thus, the Director of Island Operations has asked Project Staff to conduct a market survey for comparable rates so as to assess which rates may need adjustment.

Further, the administration of special events has never been compiled into a standard operating procedure. Therefore, in conjunction with establishing a Rental Policy, Project Staff is in the process of drafting standard operating procedures for special event rentals. The Event Venue Rate Schedule will be incorporated in the forthcoming standard operating procedures.

Project Staff has conducted a market survey of similar venues in the Bay Area and has concluded that the current Rate Schedule is within the average range-- with minor adjustments, with exception of two venues: the Casa de la Vista and the Chapel, which have more substantial changes. Research on various local event location websites, such as www.herecomestheguide.com and www.weddingsitesandservices.com, suggests that the Rate Schedule for both Casa de la Vista and the Chapel should be increased. The proposed Rate Schedule, to be effective March 1, 2007, is attached as Exhibit C.

The need for an At-Cost Rate has become more essential due to the large number of requests for use of facilities at discounted rates or at no cost. Generally, these requests are made by Island programs providers and directly benefit Island residents and tenants.
Similarly, there is a need for Reduced Rates and Waivers to accommodate community events which are requested regularly. Lately, there is a need to quickly accommodate atypical events and circumstances to keep Treasure Island a competitive event destination. All of these rate classifications events typically do not provide enough time for Project Staff to bring the request forward to TIDA for action; nor are these rate classifications typically worth the time spent by Project Staff to prepare and present such action. Reporting requirements and thresholds for these rate classifications and considerations insure the integrity of the transaction.

The proposed Rental Policy for Special Events would allow the Director of Island Operations to enter into Use Permit Agreements based on the established policy and rate schedule in a consistent and efficient manner.

EXHIBITS:

Exhibit A: Rental Policy for Special Events

Exhibit B: Event Venue Rate Schedule-Current

Exhibit C: Event Venue Rate Schedule-Proposed-March 2007

TREASURE ISLAND DEVELOPMENT AUTHORITY

EXHIBIT A

RENTAL POLICY FOR SPECIAL EVENTS

The Rental Policy applies to any use of facilities on Treasure Island and Yerba Buena Island for special events. Special events are defined as gatherings of two or more persons for reserved use, public or private, of indoor or outdoor facilities, which include, but are not limited to:

- Weddings and Domestic Ceremonies; Bar & Bat Mitzvahs; Graduation, Anniversary, and Birthday Parties
- Picnics, Motorcycle Rides, and Marching Band practices
- All Sports and Athletic practices, games, and tournaments
- Corporate events: meetings, conferences, luncheons, dinners, auctions, cocktail parties, holiday events
- Fundraising walks, Triathlons, Bike Races, and water-related sports events
- School dances, art exhibits, and trade shows
- Any public festivals, concerts, musical performances, and open air markets
- City sponsored events

The Rental Policy applies to all applicants, without discrimination with regard to race, color, creed, religion, ethnicity, national origin, ancestry, age, sex, gender identity, sexual orientation, domestic partner status, marital status, HIV status, political affiliation, disability, weight, height, or any other designations prohibited by law.

I. RENTAL RATE CLASSIFICATIONS

The Event Venue Rate Schedule includes standard rates for all use, holiday rates for use of facilities on all major holidays, and non-profit rates for those entities with a 501(c)(3) status. Off peak rates for the Chapel are available during less desirable rental periods. See Exhibit A for the Event Venue Rate Schedule.

A. STANDARD RATES

The standard rates apply to the rental of each venue and include a definitive length of time for each rental period.

B. HOLIDAY RATES

The holiday rates apply to the rental of venues on all major holidays and during the month of December, and incur a 20% increase from the standard rates. This increase in rates reflects the high demand for event space on and around major holidays.

Holiday rates apply on the following dates:

- February 14
- March 17
- Easter Sunday

- Memorial Day
- July 4
- Labor Day
- October 31
- Thanksgiving Day
- The month of December

C. NON-PROFIT RATES

The non-profit rates, which are a 20% reduction from the standard rates, apply only to those entities with 501(c)(3) status. This reduction in rates purposes to accommodate non-profit entities with generally lower budgets for events and fundraisers.

The non-profit rate does not apply to reservations on a major holiday, or during the month of December.

Those entities requesting approval of the non-profit rate must submit a letter from the nonprofit organization stating that the proposed use of the Treasure Island facilities is in furtherance of the nonprofit organization's purpose and mission for which it obtained tax exemption under Section 501(c)(3) of the United States Internal Revenue Code. A copy of the Internal Revenue Service's written determination that the applicant nonprofit is exempt from taxation under Section 501(c)(3) of the United States Internal Revenue Code is required.

D. OFF-PEAK RATES

In an effort to accommodate the numerous requests TIDA receives for use of the Chapel for Bible study and religious services, off-peak rates apply to the rental of the Chapel at the hours and days specified below:

Monday, Tuesday, and Wednesday: at any time
Sunday: from 8:00AM to 12:00PM

The off-peak rate is offered per hour, with a three hour minimum.

E. DISCOUNTED RATES

While the Event Venue Rate Schedule, Exhibit A, gives structure to the most common use and application of venues on Treasure Island, such as weddings, picnics, and parties, a variety of miscellaneous use is frequently requested of TIDA. Many applications that TIDA receives for use of space or facilities cannot fit into the structured special events typically produced on Treasure Island. Rental rates will often need adjustment in consideration of a variety of atypical circumstances such as: press conferences, multiple venue use, multiple day use, outdoor festivals, and street races or walks utilizing streets and portions of the Island not regularly used.

The Director of Island Operations shall evaluate any infrequent and atypical event proposals and shall decide what discounts will apply. Often these types of considerations in cost can lead to the event producer choosing Treasure Island as an event site over another option.

The Director of Island Operations shall report to the TIDA Board on all rental rate considerations granted as part of the Director's Report at each regularly scheduled meeting.

F. REDUCTION OR WAIVER OF STANDARD RATES

Frequently, TIDA receives requests for a reduction or waiver of rental fees. These requests are proposed for various purposes, generally including use of facilities for the purposes of public service or the direct benefit of Island residents. Examples include the Treasure Island Community Picnic, Walden House's fundraising car wash, and the Treasure Island Job Corps's use of the Chapel for a memorial service.

The Director of Island Operations shall use his/her discretion to reduce or waive rental fees as appropriate for instances as they arise based on the following At-Cost Policy. The Director of Island Operations shall report on any such rental rate considerations granted to the TIDA Board as part of the Director's Report at each regularly scheduled meeting The Director of Island Operations shall not waiver rental rate fees in excess of $1,000 without the approval of the TIDA Board.

E: AT-COST RATES

All available properties on Treasure Island and Yerba Buena Island that have been leased to the Treasure Island Development Authority by the United States Navy can be subleased to eligible organizations and entities on an "at cost' premium. "At cost" refers to the calculated actual cost for TIDA to provide the facility for use. Each venue will be assigned a predetermined "at cost" rental rate based on calculations set forth below.

Calculation of At-Cost Rental Rate:
At-Cost Rental Rate is based on the actual cost of the following services.
-janitorial service to clean the venue before and after use
-garbage disposal and pick up from venue
-landscape services for upkeep around venue
-onsite event staff assignments
-building maintenance and service as provided by DPW
-cost of utilities as provided by PUC
-cost of Project Staff time and materials, including such cost of City Attorney's office, other City departments, contractor, or consultant, as necessary

Eligibility:
Organizations will be eligible to receive the At-Cost Rental Rates only if the requested use is for the direct benefit of the residents, students, and tenants of Treasure Island. The rate will not apply to private events for individuals. A formal, detailed event proposal will be required for submittal, specifying the purpose and benefit of the use.

Eligible Organizations:
Treasure Island Development Authority (TIDA)
Departments of the City and County of San Francisco (CCSF)
Treasure Island Homeless Development Initiative (TIHDI)
Members of TIHDI including:
Boys & Girls Club
Catholic Charities

Community Housing Partnership
Haight Ashbury Free Clinics
Kidango
Swords to Plowshares
Waldenhouse
Rubicon Programs
Toolworks
Treasure Island Job Corps
Delancey Street-Life Learning Academy
Glide Memorial Methodist Church-Treasure Island
YMCA-Treasure Island
Treasure Island Community Associations
Including: Treasure Island Community Network (TICN)
San Francisco Islands' Community Association (SFICA)
Treasure Island Citizens' Advisory Board
San Francisco Little League
United States Navy-Caretaker Site Office (CSO)
Restoration Advisory Board (RAB)
John Stewart Company-Villages at Treasure Island

II. ADDITIONAL FEES

Those events that are common and can conform to the structure that has been established for the rental process will often include event components that require additional rental time incorporated into a rental reservation. Therefore, TIDA makes available additional fees to allow for such various circumstances.

A. EXTRA HOURS

Each event contains certain variables that may cause the need for hours of use outside of the standard base rental for each facility. Common variables that may require extra hours of use are elaborate décor designs, lighting installations, catering needs, tent installation and removal, and extensive clean up requirements. Thus, TIDA offers additional time to meet these needs which can be purchased per hour.

The extra hours allow for individual events to modify the rental period so that the desired level of décor/set up can be achieved. This flexibility in price structure benefits those events that may require extra hours, as well as those that do not.

B. SET-UP AND BREAKDOWN DAYS FEES

Often, an event décor design is so elaborate and extensive, that an entire day may be used for set up and/or breakdown of stages, tents, lighting, and exhibits. TIDA recognizes that many events involve pre-event and post-event activities such as these and therefore accommodates additional days at a lower rental fee than the actual event day itself. In the instance that a full day (equivalent to the base rental period of the facility) is required for set up or breakdown, 50% of the base Rate Schedule will be charged.

C. REHEARSALS

Weddings and domestic ceremonies often request use of a facility for a ceremony rehearsal. TIDA accommodates rehearsal requests, per hour, at the standard extra hour rate.

III. APPLICATION FOR EVENT

To initiate the rental process, an applicant or event sponsor must provide a clear and complete description of the proposed special event by completing a Facility Use Application.

Applicant must complete a Facility Use Application and submit a required deposit to the TIDA Project Office no later than 30 days prior to a proposed event date, and no sooner than 365 days prior to an event date.

The Facility Use Application is reviewed by Special Events staff in order to determine what additional permits or regulatory approvals may be necessary. Dates and venues are assessed for availability and suitability, and any and all additional requirements are clearly expressed to applicant. Once Application is found to be acceptable, venues and dates are booked, a written reservation confirmation is generated and sent to Permittee, and the security deposit is submitted for deposit.

III. SECURITY DEPOSITS

A. SECURITY DEPOSIT REQUIREMENT

Applicants or event sponsors are required to submit a security deposit to accompany the Facility Use Application. The required deposit is 50% of the base Rate Schedule of the venue requested. This deposit is fully refundable and is obtained by the Treasure Island Development Authority to provide reasonable assurance that the facilities will be treated with care and that any damages will be repaired at the applicant's expense. Deposits will be refunded no later than 30 business days after the event, provided the facilities are left in the same condition in which they were rented.

Any organization requesting consideration for the At Cost Rate must follow all standard procedures for event rentals. A Facility Use Application must be completed and submitted with a minimum refundable deposit of $500. Additionally, a formal written proposal must be submitted with the application detailing the type of use and the benefit that will serve the Treasure Island community. All Rules and Regulations, Policies and Procedures set forth in the Event Application Packet.

B. SECURITY DEPOSIT RETURN

Once the event has taken place, if no damage has occurred and no extra hours were used, then the full deposit is returned to the Permittee within thirty days after the event.

If any damage to the facility has occurred, the Event Staff will notify the Permitee in writing and estimate the repair cost within 30 days of the event. The Event Staff will refund the security deposit after receipts of the actual repair cost but in no event exceed 60 days of the event.

If the Permittee has occupied the venue for extended hours over those specified in the Use Permit, the standard extra hour fee is deducted from the security deposit. Extra hours are not prorated and any increment of extra time will automatically incur an extra hour charge.

D. CANCELLATIONS AND CHANGES POLICY

Cancellations, postponements, and changes of date or venue must be received in writing in order to receive a deposit refund. Any postponement of date or change of date or venue will be considered a cancellation of the current reservation and a request for a new reservation. Thus, the Cancellation and Changes Policy will apply to any request for postponement and/or change of date or venue.

The minimum cancellation fee is $250 per venue. Cancellations, postponements, or changes of date or venue, made fewer than 30 days prior to an event will receive no deposit refund.

Security deposits, less a cancellation fee, will be refunded if the Treasure Island Development Authority receives written notice of cancellation, postponement, or change of date or venue at least 30 days prior to the scheduled event. The minimum cancellation fee of $250 will apply to each venue. If notice of cancellation, postponement, or change of date or venue is received fewer than 150 days prior to the scheduled event, security deposits will be refunded according to the following schedule:

CANCELLATION, POSTPONEMENT, CHANGE OF DATE OR VENUE	CANCELLATION FEE	REFUND AMOUNT
(days before event)	(percentage of deposit)	(percentage of deposit)
150 days or more	$250	100% less $250
149-120 days	20%	80%
119-90 days	40%	60%
89-60 days	60%	40%
59-30 days	80%	20%
29 days and fewer	100%	0

E. SECURITY AND PERMITS

Any use of event facilities on Treasure Island will require that the user obtain any and all necessary and required permits or regulations from all applicable City departments: namely the San Francisco Police Department, the San Francisco Fire Department, and the San Francisco Health Department. The user shall furnish copies of all such permits to the Treasure Island Development Authority prior to the event.

The Permittee shall provide, at its expense, any and all additional security and police officers required for the event as determined by the San Francisco Police Department, as

well as, any medical life safety personnel or vehicles during the hours of operation of the event, as determined necessary by the San Francisco Fire Department.

The Permitee shall obtain approval from the San Francisco Police Department for alcohol sales and must obtain a one day liquor license from the California Department of Alcoholic Beverage Control.

The approval and application of an At Cost Rental Rate will not preclude the user from obtaining any necessary and required permit or regulation from City departments.

F. GENERAL LIABILITY INSURANCE

The Treasure Island Development Authority requires that all persons or entities renting its facilities provide general liability insurance naming the *City and County of San Francisco, the Treasure Island Development Authority, their officers, agents, and employees*, as additional insured by endorsement. This coverage must meet the specifications stated in the Use Permit, and must encompass the entire length of rental, including all rehearsal, set-up, or break-down days.

Individuals hosting weddings, domestic ceremonies, and private events are required to purchase liability insurance coverage which will satisfy the insurance requirements set forth in the Use Permit.

TIDA has contracted with an insurance vendor and has secured reasonably priced "per event" liability insurance coverage. This allows individuals to purchase the required coverage through the TIDA office.

Any and all organizations approved for the At Cost Rental Rate will be required to provide General Liability Insurance coverage that meets the requirements specified in the Use Permit. If the agency is self insured, written documentation of such self insurance is required.

IV. ANNUAL REVIEW OF RENTAL RATES

The rental rates for each venue shall be reviewed annually, and adjusted as deemed necessary after a market survey. Any changes to the Event Venue Rate Schedule shall be presented to the TIDA Board for adoption.

Drafted December 2006

TREASURE ISLAND DEVELOPMENT AUTHORITY
EVENT VENUE RATE SCHEDULE

VENUE	RENTAL PERIOD	STANDARD RATE	HOLIDAY RATE*	NON-PROFIT RATE**
Admiral's Conference Room	per hour	$50	$65	$40
Building 1 Lobby	8 hours	$3,000	$3,900	$2,400
Casa de la Vista	8 hours	$2,750	$3,350	$2,200
Chapel	3 hours	$500	$650	$400
Chapel Off Peak Mon-Wed, Sun 8AM-12PM	per hour 3 hour minimum	$75	$75	$75
Fogwatch Picnic Area	8 hours	$500	$650	$400
The Great Lawn	24 hours	$2,000	$2,600	$1,600
Sports Field	per hour	$25	$30	$20
ADDITIONAL FEES				
General Liability Insurance	see fee scale below			
Wedding Rehearsal	1 hour	$150		
Extra Hours	per hour	$150		
Set up/Breakdown Day	per day	50% of base rental fee		
Film Permit****	$1,500 per day minimum			
Still Photo Shoot Permit****	$500 per day minimum			

*Holiday Rates apply February 14, March 17, Easter Sunday, Memorial Day, July 4, Labor Day, October 31, Thanksgiving Day, and the month of December

**Non-Profit Rates apply ONLY to those with 501C3 status and only on non-Holiday event days

****Film and Still Photo Permits require minimum five days advance notice for processing and do not apply to weddings

PRICES EFFECTIVE 3/1/2005--SUBJECT TO CHANGE

GENERAL LIABILITY INSURANCE
(CAN BE PROVIDED PRIVATELY-INQUIRE FOR DETAILS)

NUMBER OF ATTENDEES	PREMIUM PER DAY CLASS ONE	CLASS TWO
1 TO 100	$50	$115
101 TO 250	$75	$180
251 TO 500	$95	$290
501 TO 1,500	$215	$560
1,501 TO 2,500	$300	$900

Class One events include meetings, speaking engagments, exhibits, seminars, etc

Class Two events include weddings, dances, picnics, outdoor exhibits, sports, etc

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EXHIBIT C

TREASURE ISLAND DEVELOPMENT AUTHORITY
EVENT VENUE RATE SCHEDULE

VENUE	RENTAL PERIOD	STANDARD RATE	HOLIDAY RATE*	NON-PROFIT RATE**
Admiral's Conference Room	per hour	$50	$60	$40
Building 1 Lobby	8 hours	$3,250	$3,960	$2,600
Casa de la Vista	8 hours	$3,350	$4,020	$2,680
Chapel	3 hours	$650	$780	$520
Chapel Off Peak Mon-Wed, Sun 8AM-12PM	per hour 3 hour minimum	$75	$75	$75
Fogwatch Picnic Area	8 hours	$500	$650	$400
The Great Lawn	24 hours	$2,000	$2,400	$1,600
Sports Field	per hour	$25	$30	$20
ADDITIONAL FEES				
General Liability Insurance	see fee scale below			
Wedding Rehearsal	1 hour	$200		
Extra Hours	per hour	$200		
Set up/Breakdown Day	per day	50% of base rental fee		
Film Permit****	$1,500 per day minimum			
Still Photo Shoot Permit****	$500 per day minimum			

*Holiday Rates apply February 14, March 17, Easter Sunday, Memorial Day, July 4, Labor Day, October 31, Thanksgiving Day, and the month of December

**Non-Profit Rates apply ONLY to those with 501C3 status and only on non-Holiday event days

****Film and Still Photo Permits require minimum five days advance notice for processing and do not apply to weddings

PRICES EFFECTIVE 3/1/2007--SUBJECT TO CHANGE

GENERAL LIABILITY INSURANCE
(CAN BE PROVIDED PRIVATELY-INQUIRE FOR DETAILS)

NUMBER OF ATTENDEES	PREMIUM PER DAY CLASS ONE	CLASS TWO
1 TO 100	$50	$115
101 TO 250	$75	$180
251 TO 500	$95	$290
501 TO 1,500	$215	$560
1,501 TO 2,500	$300	$900

Class One events include meetings, speaking engagments, exhibits, seminars, etc

Class Two events include weddings, dances, picnics, outdoor exhibits, sports, etc

CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
410 AVENUE OF THE PALMS,
BLDG ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

GAVIN NEWSOM, MAYOR

Draft Minutes of Meeting
Treasure Island Development Authority
January 10, 2007

City Hall, Room 400
1 Carlton B. Goodlett Place
San Francisco, CA

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1. **Call to Order:** 1:44 PM

Roll Call Present: Claudine Cheng (Chair)
Jesse Blout
Jared Blumenfeld
John Elberling
Marcia Rosen
Owen Stephens

Excused: Matthew Franklin
Supervisor Chris Daly

2. Report by Director of Island Operations

Ms. Mirian Saez, Director of Island Operations, presented the Director's Report. Discussed progress on emergency planning, the current state of emergency infrastructure on the Island, security and crime on the Island, vessel anchorage and abandonment in Clipper Cove, and negotiations with the Public Utilities Commission. Staff has met with the City Librarian regarding bringing library services to the Island. Stated she and staff have also met with the Treasure Island Museum Association to discuss areas of cooperation. Provided and discussed the current revenue and expenditure report for FY 2006-2007. Discussed the outstanding rent payments to date of commercial tenants. Discussed a recent tour of the beach at Clipper Cove with DPW staff; much trash was found and now Clipper Cove is on the regular maintenance schedule for trash pick-up. The film "Kite Runner" filmed in front of Building 1; Authority staff released a new monthly calendar; an e-waste turn-in day is scheduled for January 20th. Stated she has entered into a six month sublease with Beyond Productions for office space in Building 180. Thanked Authority staff for their hard work over the past several months leading to this full agenda.

Director Blumenfeld requested that staff provide a forward schedule for hearing the Authority budget. Also requested that when closed sessions are calendared on the agenda, the item regarding "Future Agenda Items" be calendared prior to the closed session.

3. Report by the Mayor's Office of Base Reuse and Development

Mr. Michael Cohen, Office of Base Reuse and Development, stated that Jack Sylvan will be discussing the forward schedule for development. Stated that staff wants to tackle the issues that have the greatest impact on the overall plan first and foremost. This includes the Navy negotiations and the transportation plan. Before resources are expended on implementing the development plan, staff wants to have the Board discuss and vet such issues.

Mr. Jack Sylvan, Office of Base Reuse and Development, provided an update on the submarine cable. Bids were received and opened by CalTrans for both two cables as well as single cable bids. The low bid for the two cable option was for $9.7 million, which was lower than the prior bid, and exceeded the original budgeted amount for the project. CalTrans will be awarding the two cable option soon if they have not already. Provided an updated forward schedule for development planning. Stated there is a natural course of tasks and events to address, including creating an EIR process and a Redevelopment Plan process, along with negotiations with the Navy. These tasks need to be addressed in the short term and staff will be working towards this end. There are three items considered to be the first steps in the next phase of planning: the housing transition plan, financial analysis of an on-site wastewater treatment plant, and getting to a term sheet agreement with the Navy within the context of the Development Plan endorsed by the TIDA Board and Board of Supervisors. Additionally there are several processes to be undertaken, including negotiating the Tidelands Trust exchange agreement with the State Lands Commission and developing a strategy for dealing with contracts currently in place with consultants. Stated that the EIR process with the Planning Commission will be initiated as soon as possible. Additionally there are three pieces of legislation anticipated: amending the Tidelands Trust, SB 1841 transferring the ramps on the eastern side of Yerba Buena Island from the Navy to CalTrans, and legislation establishing a transportation district for Treasure Island. Stated the plan for reuse of the hangars calls for TICD to bring a plan for their reuse to the TIDA Board within 12 months. Planning discussions have begun with the Coast Guard and the Job Corps. Finally, initiating the Redevelopment Plan process is one that is not as lengthy as the EIR plan.

Director Blumenfeld stated that most of the work to be done during the previous phase was done by TICD. In terms of work flow, there is a lot of work to be done on the TIDA staff side. Stated it is unrealistic to think that Mr. Sylvan can perform all this work on his own, no matter how skilled he is. Wants to set realistic expectations based on work hours that mirror the tasks to be performed.

Mr. Sylvan stated that TICD is spending a majority of the money and hiring consultants that are doing a majority of the planning work, including the transition plan and wastewater treatment plan. It would not be correct to say that City staff is performing all the work. Stated that staff is anticipating hiring someone to be an assistant project manager to assist with this upcoming work.

Director Blumenfeld stated he would like to see the Yerba Buena Island restoration plan work added to the timeline at some point.

Director Cheng asked if the project specific EIR would be a timely process.

Director Sylvan stated that the Base Reuse and Development office is focused on making staff resources available to make these EIR processes happen within the necessary timeframe.

Director Elberling asked about the status of the Mello-Roos district planning.

Director Sylvan stated this planning would take place as part of the planning of the overall Redevelopment Plan.

4. Communications
There was no discussion of communications.

5. Report by the Treasure Island/Yerba Buena Island Citizen Advisory Board
There was no CAB report given at this meeting.

6. Ongoing Business by Directors
There was no on-going business discussed

7. General Public Comment

Ms. Sherry Williams, Treasure Island Homeless Development Initiative, spoke about the TIHDI events taking place in connection with Black History Month.

Mr. Mike DeLane spoke in support of the sublease extension with the Delancey Street Life Learning Academy.

8. Consent Agenda
There was no public comment on this item.

Director Rosen motioned for approval of the Consent Agenda.
Director Blout seconded the motion for approval.
The Consent Agenda was approved unanimously.

9. Extension of Sublease with Delancey Street Life Learning Academy
Mr. Marc McDonald, Authority Facilities Manager, presented an amendment to the sublease with Delancey Street Foundation for the Delancey Life Learning Academy charter high school.

Director Cheng asked if there was a policy connected to percentage rent currently.
Mr. McDonald stated this was the only tenant who is required by agreement to pay a percentage rent.

Director Rosen asked if Common Area Maintenance charges have been waived.
Mr. McDonald stated that these charges have been waived by prior amendments.

Director Saez stated that this staff report tries to establish all the waivers and amendments that have taken place with Delancey Street. The original terms call for Delancey Street to pay a percentage rent. Now that Delancey has exhausted their tenant improvements, the original terms call for percentage rent.

Public Comment

Mr. Mike DeLane, Delancey Street administrator, spoke in support of extending the sublease but was not in favor of having to pay a percentage rent based on the lack of profits made by the café operated by the Academy students. Requested the Board consider a concession on the rent for the café as it is a community resource and ultimately a training tool for the school

Director Blout suggested that given the public benefit the café provides, staff revisit this item with Delancey Street internally and find a solution that does not put Delancey Street in a financial hole for operating this cafe while they are providing a vital service on the Island. Suggested staff amend the language so that gross percentage rent is only effective in the case of profits at the café.

Director Rosen suggested this sublease be structured so that decisions about waiving the rent during the annual review of figures be an administrative function.

Director Elberling motioned for a continuance of the item.
Director Blout seconded the motion.
The item was continued to the next meeting unanimously.

10. Sublease with Pro Transport 1 for Building 201
Mr. Marc McDonald, Authority Facilities Manager, presented a sublease with Pro-Transport LLC, an ambulance company, for 6,959 square feet of warehouse space in Building 201 at $0.30 per square foot per month.

Director Rosen asked how the rental rate was determined.

Mr. McDonald stated it was based on a market-survey of comparable locations in the Bay Area, adjusted for the condition of the property. Stated the lease was month-to-month.

Director Rosen requested that information about fair market value for subleases should be included in the staff summaries and the resolutions. If thee staff recommendation is to intentionally charge below market due to a community benefit, this information should be included in the staff summaries and resolutions going forward.

Director Blout requested that future staff summaries discuss the efforts made to market the spaces up for sublease at the time.

There was no public comment on this item.

Director Rosen motioned to approve this item.
Director Blout seconded the motion to approve.
The item was approved unanimously.

11 & 12. Presentation on Selected Course of Action and Activities Taken in Conjunction with the Course of Action for Navy Remediation in the Treasure Island Housing Area

Mr. Jim Sullivan, United States Navy, provided an update on the planned remediation in the Treasure Island housing area. Discussed the public review process and on-Island outreach to Treasure Island residents. Discussed the planned work to be undertaken in the housing area and the work plan for this project.

Director Cheng asked if the on-Island meetings were well attended.
Mr. Sullivan stated that the on-Island attendance at the first meeting was very good; attendance at the second meeting was more focused towards the residents located close to the planned work area.

Director Rosen asked about the letter sent from the San Francisco Boardsailing Association, whether the access issue was simply one of access or one of public safety during remediation and if there was a way to accommodate the request with public safety being a consideration.
Mr. Sullivan stated they will review the work site to see if any accommodations can be made, but reminded the Board this is a temporary project.

Director Blumenfeld asked how the final plan will be chosen and in what forum.
Mr. Sullivan stated that public comments are evaluated and a response to those comments are provided. The final decision is then made in a decision document, co-signed by the Navy and the State Department of Toxic Substance Control. Expects the document to be co-signed the first week of February.

Director Blumenfeld asked if a contractor has been selected and if they are committed to hiring within the community.
Mr. Sullivan stated the contractor has conducted most of the remediation work on Treasure Island, Shaw Environmental Infrastructure. They have an ongoing outreach program, and the Navy does include groups like Rubicon on their hiring lists.

Public Comment for Item 11

Mr. Peter Thorner, San Francisco Boardsailors Association, spoke in opposition to the Navy's planned alternative due to it limiting boardsailing access into San Francisco Bay based on the location on the Island.

Mr. Sullivan discussed the limits to reconfiguring the project in order to accommodate the boardsailors on a temporary basis.

Director Blumenfeld asked staff to work with the Navy and the boardsailors to see if any compromises or alternatives are possible to allow for continued boardsailing access without affecting the remediation project dramatically.

Mr. Ned York, John Stewart Company – Treasure Island Villages, discussed the John Stewart Company's efforts with helping tenants affected by the remediation project. Stated that a staff member has been designated as community liaison. Also, John Stewart Company has been working closely with a relocation specialist to assure they are abiding by guidelines. Staff has been working with affected residents who have to move from their units to move them to a similar unit on Treasure Island, residents who have their front and back door access impacted, and residents whose units are indirectly impacted by being located within an impacted building or located within the project area. The community liaison has done extensive outreach to occupied households so the residents know their options. The Villages has drafted Memorandums of Understanding for execution with the affected units based on the options they chose for temporary or permanent relocation to comparable units. Out of the 31 occupied affected apartments, 19 households will stay in current units, 3 households will move temporarily, 4 have chosen to move to another apartment permanently, and 5 households have chosen to move off the Island. Stated the gross potential for the affected units is approximately 6% of the total gross potential for the Villages. The estimated revenue loss from this project is approximately $256,500, or approximately 1.8 % of the total revenue.

There was no public comment on Item 12

13. Update by the San Francisco Police Department

Captain Denis O'Leary, San Francisco Police Department, provided an update on SFPD on-Island activities. Discussed significant events that have occurred, including a spike in residential burglaries during November, an arrest was made that appears to be linked to these burglaries, stolen property from several of these burglaries were recovered. Often times the burglaries occurred due to unlocked windows and doors. Residents have been encouraged to be alert of locking windows and doors when leaving the residence. Discussed a one car accident fatality on Treasure Island where a passenger was killed and the driver of the vehicle is being charged with Driving under the Influence. Discussed several thefts from the Job Corps. Stated he has also met with the operators of the marina in order to regulate anchor-outs in Clipper Cove, perhaps by proposing legislation based on other city's models as guidance.

Director Elberling asked about the current situation at the Transbay Terminal with regards to the MUNI 108 stop.

Captain O'Leary stated that he deals with issues at the Transbay Terminal as part of his community outreach throughout South of Market. A patrol car from Southern Station does patrol the Transbay Terminal. Officers assigned to Treasure Island also ride the 108 line on occasion. Stated he has not received any complaints recently regarding problems at the Transbay Terminal.

14. Update on Implementation of Audit Recommendations

Director of Island Operations Mirian Saez discussed the work done to-date in implementing the recommendations made by the Office of the Controller's Audit of the Authority. Discussed the previous updates presented to the Board, and presented an Audit Implementation Report. Stated this will be forwarded to the Office of the Controller.

Director Cheng thanked Ms. Saez and staff for their work. Complemented the report presented to the Board for its thoroughness.

Director Elberling thanked Ms. Saez for the detailed nature of the report. Asked for more detail on action needed for buildings contained in the building conditions report.

Ms. Saez stated these building conditions would be discussed in the following agenda item.

Director Blumenfeld asked Ms. Saez to work with the City Administrator for setting the procedure for her review. Stated he is looking for simplicity, clarity and expectation on deliverables that are agreed upon.
Ms. Saez stated she has raised this issue with the City Administrator, and they are working on a plan that will satisfy the Board to this extent.

Ms. Harriet Richardson, Office of the Controller, stated that since Ms. Saez took over the position, she has met with Controller's staff several times to understand the intent of the Controller's Audit. Stated she sees real progress based on the status report provided.

There was no public comment on this item.

15. Presentation on Building Conditions for Commercial Properties on Treasure Island
Ms. Saez stated this report should be helpful in the overall process of establishing a leasing policy, and that while there are many buildings available on the Island, their existing conditions yield many of the buildings as unviable. This should give the Board an idea of the properties staff has to work with when establishing a new policy.

Mr. Marc McDonald, Authority facilities manager, presented a report on the conditions of existing buildings on Treasure Island. Discussed the total inventory of buildings on the Island, called out those that are already occupied and those that are not viable due to seismic safety, environmental hazard and other building condition issues. Discussed events venues available on the Island and commercial venues available and in suitable condition for rent. Discussed the amenities of these buildings, square footage, potential opportunities afforded by the properties and issues with the current condition of the building. Discussed how these buildings fit in with the proposed phasing for redevelopment and the impact this will have on the remaining lifespan of the buildings.

Director Elberling asked if there were any buildings that were of such a hazard that they should be fenced off or demolished.
Mr. McDonald stated there are several buildings that fit this category. These buildings are also targets for vandalism as well.

Director Elberling asked about buildings which may need immediate care in order to protect them as an asset.
Mr. McDonald stated that the Administration Building has some roof leaks on the fourth floor and Building 3 has a substantial roof leak. The roof in Building 3 has not been addressed because it is an expenditure of approximately $300,000. DPW has been instructed to patch this leak for the short term.
Director Elberling asked if it was possible to relocate the chapel in order to save it from demolition early in the redevelopment process. Stated it could be a historic structure.
Mr. Jack Sylvan, Office of Base Reuse and Development, stated this option for the chapel has not been looked at yet.

Public Comment

Ms. Sherry Williams, TIHDI, spoke in favor of the Authority reviewing options for deconstructing these dangerous buildings identified in the report through the TIHDI job broker program.

Director Elberling requested an item in the upcoming budget related to anticipated building repairs.

Director Cheng left the Board at 3:45 PM

16. Discussion of Policy and Fees for Special Events Venues
Ms. Lori Mazzola, Authority Special Events Coordinator, presented the draft policy and fee schedule for the special events venues on Treasure Island. Discussed the venues operated by the Authority and the types of uses for these venues. Much of the proposed policy has been used in practice for several years. An approved rental policy is fundamental to assure transparency in transactions as well as to establish a comprehensive structure for administering and renting events and venues. Staff performed a market survey of comparable venues throughout the Bay Area in order to develop the fee schedule. The fee schedule includes regular rates, holiday rates, and rates for 501(c)3 organizations. Discussed policy for discounted rates, at-cost rates and reduced rates for eligible groups. The draft policy will call for the Director to report on discounted, reduced and at-cost rates at Board meetings for the purpose of transparency. A standard operating procedure document for special events and venue rentals will also be presented in coming months to work in conjunction with this policy and fee schedule.

Director Rosen asked for clarification on the proposed waiver category versus the proposed at-cost category.
Ms. Mazzola stated that the waived and reduced rates are envisioned for groups or occurrences that directly benefit the Island community or residents, such as the community picnic or a memorial service. The at-cost rates are envisioned for use by Island groups, such as a meeting or dance, where a group may be generating money and the Authority would desire cost recovery, such as janitorial expenses.

Director Rosen stated her support for the policy and stated that she doesn't feel the Board needs a monthly report from the Director of Island Operations on waivers and discounts provided. This could be done on a quarterly or half-yearly basis.

Director Elberling asked what the at-cost rates are.
Ms. Mazzola stated those are still being developed. The current at-cost rate for the Casa de la Vista is approximately $700.

Public Comment

Ms. Ruth Gravanis spoke in support of making special events as sustainable and as environmentally sound as possible, including paid parking and provisions in permits requiring zero waste.

17. Possible Closed Session
There was not need for the closed session at this item

18. Future Agenda Items
There was no discussion by the Board

Public Comment

Ms. Ruth Gravanis spoke in support of a future agenda item inviting a professional ecologist to address the Board about the natural habitat on Yerba Buena Island in conjunction with redevelopment planning

19. The meeting adjourned at 4:32 PM

CITY & COUNTY OF SAN FRANCISCO

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GAVIN NEWSOM, MAYOR

TREASURE ISLAND DEVELOPMENT AUTHORITY
MEETING AGENDA

February 14, 2007 - 1:30 P.M.

Room 400, City Hall
1 Dr. Carlton B. Goodlett Place

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Gavin Newsom, Mayor

DIRECTORS

Claudine Cheng, *President*
Jesse Blout
Jared Blumenfeld
John Elberling, *C.F.O./Secretary*
Matthew Franklin
Marcia Rosen
Owen Stephens
Supervisor Chris Daly (*Ex-Officio*)

Mirian Saez, Director of Island Operations
Peter Summerville, Commission Secretary

ORDER OF BUSINESS

1. Call to Order and Roll Call

2. Report by Director of Island Operations (*Discussion Item*)
   Length of Item: 10 minutes

3. Report by Mayor's Office of Base Reuse and Development (*Discussion Item*)
   Length of Item: 10 minutes

4. Communications (*Discussion Item*)
   Length of Item: 5 minutes

5. Report by the Treasure Island/Yerba Buena Island Citizen's Advisory Board (*Discussion Item*)
   Length of Item: 5 minutes

RECYCLED PAPER

6. Ongoing Business by Directors (*Discussion Item*)
Length of Item: 5 minutes

7. General Public Comment (*Discussion Item*) ***In addition to General Public Comment (Item #7), Public Comment will be held during each item on the agenda.***
Length of Item: 10 minutes

8. **CONSENT AGENDA**
Length of Item: 5 minutes

All matters listed hereunder constitute a Consent Agenda, are considered to be routine by the Treasure Island Development Authority Board and will be acted upon by a single vote of the Authority Board. There will be no separate discussion of these items unless a member of the Authority Board so requests, in which event the matter shall be removed from the Consent Agenda and considered as a separate item.

a.) Approving the Minutes of the January 10, 2007 Regular Meeting (*Action Item*)

b.) Resolution Authorizing the Twentieth Amendment to the Land & Structure Lease between the Authority and the Navy to add the banner area above Yerba Buena Island Tunnel to the Leased Premises (*Action Item*)

c.) Authorizing The Director of Island Operations To Execute a Fifth Amendment To the Sublease With the Delancey Street Foundation To Retroactively Extend the Term on a Month-to-Month basis through November 30, 2007 and to Establish a Rental Fee of Five Percent of Net Operating Income (*Action Item*)

d.) Resolution Authorizing The Director of Island Operations To Execute the Second Amendment to the Sublease with Kidango, Incorporated to Retroactively Extend the Term for the Use of the Childcare Center on a month-to-month basis through November 30, 2007 (*Action Item*)

e.) Resolution Authorizing The Director of Island Operations To Amend the Month-To-Month Sublease With The Treasure Island Sailing Center at Pier 11, Pier 12 and Adjacent Areas to Extend the Term Retroactively on a month-to-month basis through November 30, 2007 and to Increase Rent to Fifty Dollars per Month(*Action Item*)

f.) Resolution Approving and Authorizing a Use Permit and a Waiver of Standard Rental Fees with the San Francisco Little League (SFLL) for the use of the Sports Field (*Action Item*)

g.) Resolution Approving and Authorizing the Director of Island Operations to Execute a Use Permit, Including Waiver of Standard Rental Fees, with the Treasure Island Homeless Development Initiative (TIHDI)), for the Use of Room 169 in the Administration Building, (the Gallery), for the Purpose of Hosting *Living Black: Stitching Together Time, Place and Spirit*, a Month-Long Art Exhibit in Honor of Black History Month (*Action Item*)

h.) Resolution Authorizing a Fourth Amendment to the Contract with Economic & Planning Systems for Economic Consulting Services in Support of Negotiations with the US Navy and the Master Developer Increasing the Budget by $80,000 for a Total Not to Exceed Amount of $265,000 (*Action Item*)

i.) Authorizing the Director of Island Operations to Execute an Amendment to the Loan Agreement with the Government of Mexico and the Fine Arts Museums of San Francisco for the Temporary Loan to Mexico of the Miguel Covarrubias Murals "Pageant of the Pacific" to Extend the Term and Amend the Schedule of Display (*Action Item*)

j.) Resolution Supporting State Legislation Regarding Yerba Buena Island Ramps, SB 163 (Migden) (*Action Item*)

k.) Resolution Supporting State Legislation to Amend the Treasure Island Public Trust Exchange Act (SB1873, Burton, 2004) (*Action Item*)

l.) Resolution Supporting State Legislation to Authorize the Formation of the Treasure Island Transportation Management Agency (*Action Item*)

9. Resolution Establishing a Rental Policy for Special Events on Treasure Island and Adopting an Event Venue Rate Schedule (*Action Item*)
Presenter: Lori Mazzola, Treasure Island Development Authority
Length of Item: 10 minutes

10. Resolution Authorizing the Expenditure of Funds Necessary to Redesign the Treasure Island Development Authority Website Based on the Initial Design and Layout Proposal Formulated by the Department of Reproduction and Mail Services (*Action Item*)
Presenter: Peter Summerville, Treasure Island Development Authority
Length of Item: 10 minutes

11. Resolution Approving the Expenditure of Funds Necessary to Remove Two Abandoned Vessels from Clipper Cove (*Action Item*)
Presenter: Peter Summerville, Treasure Island Development Authority
Length of Item: 10 minutes

12. Resolution Authorizing the Expenditure of Funds Necessary to Obtain Appraisal Services through the Real Estate Division of the City and County of San Francisco (*Action Item*)
Presenter: Mirian Saez, Treasure Island Development Authority
Length of Item: 5 minutes

13. Informational Presentation on YBI Tunnel Banner Policy (*Discussion Item*)
Presenter: Frishtah Afifi, Treasure Island Development Authority
Length of Item: 10 minutes

14. Discussion of Future Agenda Items by Directors (*Discussion Item*)
Length of Item: 5 minutes

15. Adjourn

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, 410 Avenue of the Palms, Building 1, Treasure Island, and the Government Information Center at the Main Library, 100 Larkin Street. Public comment is taken on each item on the agenda.

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The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing devices.

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Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Code 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Avenue, Suite 3900, San Francisco, CA 94102, telephone (415) 581-2300, fax (415) 581-2317 and web site http://www.sfgov.org/ethics/.

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Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from the SOTF or by printing Chapter 67 of the San Francisco Administrative Code on the Internet, http://www.sfgov.org/sunshine/

POLICE DEPARTMENT
CITY AND COUNTY OF SAN FRANCISCO
THOMAS J. CAHILL HALL OF JUSTICE
850 BRYANT STREET
SAN FRANCISCO, CALIFORNIA 94103-4603

HEATHER J. FONG
CHIEF OF POLICE

ENTERED
FEB 2007
TREASURE ISLAND DEVELOPMENT AUTHORITY

February 1, 2007

Ms. Mirian Saez
Executive Director
Treasure Island Development Authority
410 Avenue of the Palms
Treasure Island
SF., CA 94130

SENT VIA FACSIMILE TO (415) 274-0299

Reference: Treasure Island Crime Statistics – January 2007

Dear Ms. Saez:

There were twenty-one incident reports filed with the San Francisco Police Department about occurrences on Treasure Island and Yerba Buena Island during the month of January 2007. Please see Attachment A for specific information.

Please Contact me at (415) 553-9154 or at Denis.O'Leary@sfgov.org if you have any questions.

Sincerely,

Denis F. O'Leary
Captain – Southern Station

By:
Officer Louis Gleser
Southern Station
(415) 553-7959

ATTACHMENT A

OCC. DATE	REP. DATE	LOCATION	TYPE	COMMENTS	CASE NUMBER
1/1/2007	1/1/2007	Av.B / Gateview	Battery, Sexual		070000842
01/01-01/03	1/3/2007	Forest Rd. Parking lot	Theft, From Locked Veh.		070008518
1/3/2007	1/3/2007	13th St./Av. H	Recovered Vehicle		070010700
1/3/2007	1/3/2007	1200 blk Mariner Dr.	Burglary, Residence	Suspect Unk	070008755
1/7/2007	1/7/2007	1200 blk Exposition Dr.	Stolen Vehicle		070022959
1/6/2007	1/7/2007	1300 blk Gateview Av	Burglary, Residence	Suspect Unk	070022692
1/12/2006	1/12/2007	1200 blk Gateview Ct.	Terrorist Threats	Suspect Known	070041614
1/14/2007	1/14/2007	1200 blk Bayside Dr.	Burglary, Hot Prowl		070049044
1/12/2007	1/12/2007	1400 blk Flounder Ct.	Stolen Vehicle		070042678
01/14-01/15	1/15/2007	1400 blk Sturgeon	Stolen Vehicle		070050825
1/15/2007	1/15/2007	12th & Striped Bass	Recovered Vehicle		070051544
1/6/2007	1/15/2007	1300 blk Gateview Av	Theft, From Building		070051970
1/19/2007	1/19/2007	1400 blk Croaker Ct.	Burglary, Apartment	Vehicle, Stolen Motorcycle	070070005
1/19/2007	1/19/2007	1200 blk Gateview Ct.	Warrant Arrest	Outside Jurisdiction	070068709
1/19/2007	1/19/2007	1200 blk Gateview Ct.	Marijuana, Cultivating	Suspect Known	070068549
1/24/2007	1/24/2007	600 blk H St.	Stalking	Suspect Known	070085060
01/13-01/22	1/23/2007	1200 blk Bayside St.	Terrorist Threats	Suspect Known	070086143
1/20/2007	1/20/2007	100 blk Mason Ct.	Burglary, Residence	Suspect Known	070072158
1/24/2007	1/24/2007	1300 blk Gateview Av	Dog, Bite or attack		070087179
1/25/2007	1/25/2007	Whiting Wy	Suspicious Occurrence	Missing Person	070092344
1/27/2007	1/27/2007	800 blk H st.	Malicious Mischief	Vandalism to Property	070100737

Part 1 Crimes January, 2007

Assult	Robbery	Homicide	Arson	Total 12
Burglary 5	Sex Offenses 1	Vehicle Theft 4	Larceny 2	

SFPUC
WATER
HETCH HETCHY
WATER & POWER
CLEAN WATER

SAN FRANCISCO PUBLIC UTILITIES COMMISSION

1155 Market St., 11th Floor, San Francisco, CA 94103 • Tel. (415) 554-3155 • Fax (415) 554-3161

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PATRICIA E. MARTEL
GENERAL MANAGER

January 24, 2007



Mirian Saez
Executive Director
Treasure Island Development Authority
410 Avenue of Palms
Treasure Island
San Francisco, CA 94130

Re: Funding Request for Fiscal Year 2007 to 2008
Treasure Island and Yerba Buena Island

Dear Ms. Saez:

The San Francisco Public Utilities Commission (SFPUC) would like to request the Treasure Island Development Authority (TIDA) to include it is fiscal year 2007 to 2008 (FY 07-08) budget funding for the following critical items to ensure the continued operation and maintenance of the utility systems at Treasure Island and Yerba Buena Island (TI/YBI).

Specifically, the SFPUC requests TIDA, at a minimum to continue funding the following:

• TIDA's Annual Utility Bill	$ 700,000
• Purchase Two 2,000-kilowatt Diesel Generators	$1,052,000
• Caltrans Support	$100,000
• TI/YBI Development Planning and Support	$ 100,000
• Capital Improvement Projects	$1,690,000
• Balance of TIDA Utility Bills Through December 31, 2006	$2,478,393
Total Funding Requested	***= $6,120,393***

Annual Utility Bill

TIDA's utility bill has averaged about $700,000 on an annual basis. The bill accounts for the utility services (specifically water, sewer, electricity, and natural gas) for TIDA occupied and leased buildings, irrigation, and street lights at TI/YBI.

Backup Generator Use

The loss of TI/YBI's secondary source of electricity and the potential interruption of service through the primary submarine cable as a result of ongoing Caltrans bridge construction activities resulted in the rental and installation of two 2,000-kilowatt,

diesel fueled generators at TI in March 2003. The requested funding of $1,052,000 pays for purchase of the two generators at TI. In earlier years, TIDA provided SFPUC $300,000 per year to cover the standby rental. The generators are needed to provide backup emergency power to Treasure Island.

It should be noted that this funding excludes the cost of the fuel and labor to operate the generators. The expense to operate the generators would have to be provided by TIDA in the event of an extended electrical outage.

Caltrans Support

To date, the SFPUC has accrued over $100,000 of expenses associated with technical services in support of Caltrans' seismic retrofit of the Bay Bridge. The SFPUC has yet to recover these expenses. It is anticipated that the demand for SFPUC's time in attending construction meetings and responding to planned outages will continue in the upcoming fiscal year as part of Caltrans' construction of the interim detour bridge at YBI (i.e., referred to as the South-South Detour) and the Skyway portion.

Development Planning and Support

The SFPUC has been involved in the review and participated in meetings related to planning and development of TI/YBI. It is anticipated that the SFPUC's involvement in planning and non-operational work will increase in the upcoming fiscal year with the adoption of the development projects term sheet and draft development documents by the City and County of San Francisco Board of Supervisors in December 2006. TIDA had funded SFPUC the amount of $100,000 for fiscal year 2006-2007. The SFPUC requests that this funding continue in the next fiscal year to reimburse SFPUC for technical services provided in support of master planning and engineering design activities.

Capital Improvement Projects

The cost for implementing capital improvement projects (CIPs) for TI/YBI identified in the TI/YBI Utility Vulnerability and Risk Assessment Report submitted to TIDA on March 2003 is included in this funding request to address the most critical utility needs, such as the repair of the 2-million gallon potable water reservoir and replacement of equipment at the wastewater treatment plant on TI.

Balance of TIDA Utility Bills

The SFPUC submits utility invoices to TIDA for all buildings and facilities under its control at TI and YBI on a monthly basis. A summary sheet by account, which lists the current charges, prior balance and payments made, total billed and payments made to date by account is also provided to TIDA on a monthly basis.

The following information was provided as part of the TIDA invoice for period ending December 31, 2006:

- Current Monthly Charge of $21,960.77
- Prior Balance of $2,478,392.95
- Total Paid To Date of $1,829,607.86
- Total Billed To Date of $4,329,961.58

Therefore, the SFPUC also requests that TIDA include in its fiscal year 2007-2008 budg the amount of $2,478,393.

Please give me a call at (415) 554-3155 if you should have any questions regarding this matter.

Sincerely,

Susan Leal
General Manger
San Francisco Public Utilities Commission

cc: Treasure Island Development Authority
TIDA Commissioners
Marc McDonald

Mayor's Office of Base Reuse and Development
Michael Cohen
Jack Sylvan

SFPUC
Barbara Hale
Tony Irons
Samuel Laraño
Scott MacDonald

Office of the City Attorney
Noreen Ambrose

Notification of Soil Remediation Activities

February 7, 2007

The Navy's contractor, Shaw Environmental, Inc., will begin soil removal activities (excavation, backfilling, and landscape restoration) in February. Work areas will be fenced off to protect residents from construction hazards and we will do our best to reduce impacts to the area and residents. Large trucks and equipment will be moving in and out of the area; with noise, parking, and traffic impacts due to work activities. Soil removal activities are expected to continue through August 2007.

Soil removal work will occur in the three Solid Waste Disposal Areas (SWDAs). The SWDAs are identified as SWDA A & B, SWDA 1231/1233, and SWDA 1207/1209, and are located on Westside Drive, North Point Drive, and Bayside Drive. General points to note:

- Soil removal work (soil excavation, backfill, and landscape restoration) will be done during the day – anticipated work hours are from 7:00 a.m. to 5:30 p.m., Monday through Thursday. If needed, work also will be done on Fridays.
- **The middle portion of Bayside Drive will be closed, and there will be restricted parking for all of Bayside Drive.**
- **Westside Drive will be closed during the soil removal work.**
- **Perimeter Road will be closed during the soil removal work. Portions of Perimeter Road will be open on non-work days.**
- **Other areas at the northern end of Treasure Island may be fenced for construction activities.**
- Depending on housing unit locations, some or all of the windows and doors facing remediation activities will be tarped over to restrict dust from entering housing units.

The Navy is performing soil excavation around the housing units located in the three SWDAs as part of the Site 12, Old Bunker Area soil removal project. The Navy will take soil samples from the excavation areas to ensure contaminants of concern are removed. All excavated areas will be backfilled with clean soil from off-island sources and regraded.

To get more information about this project or report concerns, please contact the Navy representative listed below:

James Sullivan
Navy BRAC PMO
1455 Frazee Road, Ste 900
San Diego, CA 92108
(619) 532-0966
james.b.sullivan2@navy.mil

For additional information, please visit the Navy's website:
www.bracpmo.navy.mil/bracbases/california/treasure_island

HOW TO GET MORE INFORMATION?

There are several ways to get more information:

- Attend the Navy's Restoration Advisory Board (RAB) Meetings, held the third Tuesday of every other month at the Casa de la Vista on TI. Updates on basewide environmental investigations and activities are presented at the meetings. The next RAB meeting is currently scheduled for February 20, 2007 at the Casa de la Vista.
- Visit the Navy's web site, which contains historical and current information, including information on becoming a RAB member. It can be viewed at: **www.bracpmo.navy.mil/bracbases/california/treasure_island.**
- In addition, the following two local information repositories have been established for community access to NAVSTA TI Environmental Cleanup Program documents:

Navy BRAC Caretaker Support Office
410 Palm Avenue, Building 1, Room 161
Treasure Island, San Francisco, CA 94130
(415) 743-4704

AND

San Francisco Public Library
Government Publications Section
100 Larkin Street, San Francisco, CA 94102
(415) 557-4400

James Sullivan
Navy BRAC Program Management Office West
410 Palm Avenue
Building 1, Room 161
Treasure Island, San Francisco, CA 94130-1806

For additional information, please visit the Navy's website:
www.bracpmo.navy.mil/bracbases/california/treasure_island

SAN FRANCISCO BOARDSAILING ASSOCIATION
1592 UNION STREET, BOX 301 • SAN FRANCISCO, CALIFORNIA 94123

Henry Wong, Remedial Project Manager
Department of Toxic Substances Control
700 Heinz Avenue
Berkeley, CA 94710

January 26, 2007

James B. Sullivan
Navy BRAC PMO West
1455 Frazee Road, Suite 900
San Diego, CA 92108-4310

Re. draft Action Memorandum / Interim Remediation Action Plan (AM/IRAP)
draft Negative Declaration pursuant to CEQA (Negative Declaration)
Treasure Island Housing Area, Site 12 / Former Navy Station Treasure Island

Dear Mr. Sullivan,

After having various discussions as to whether the Navy can or will mitigate the project impact on the windsurfing recreational use, I would like to update my comments submitted on January 19, 2007 as follows:

Status of the Windsurfing Use at Treasure Island

The Navy has argued that the windsurfing use is ad hoc and as such need not be considered in an analysis of project impacts. In fact, the Treasure Island Development Authority was well aware of the windsurfing use and not only allowed it to occur but supported it and acknowledged that the use was approved when TIDA staff:

- Removed a section of fence at the request of the San Francisco Boardsailing Association in order to improve access (see attached proposal that was e-mailed to TIDA staff in August 2002)
- Gave the San Francisco Boardsailing Association permission to place a portable toilet at the parking and launching area in order to serve the need of the windsurfing users

I have had numerous conversations with TIDA staff member about the windsurfing use, and it was never suggested until this month that the use might require a formal permit or sublease. TIDA commission members and other state and local authorities and bodies were made aware of the windsurfing use by virtue of letters from SFBA and appearances that I made as SFBA President. In every letter and in every public meeting I attended, I described the existing use and the need to ensure that access was maintained. Previous contacts include:

Communication	Audience	Date
Letter	TIDA	March 25, 2002
Appearance	Bay Conservation and Development Commission	September 5, 2002
Letter	TIDA	September 18, 2002
Appearance	Treasure Island Citizens Advisory Board	July 17, 2002
Letter	TIDA	March 26, 2003
Appearance	TIDA Board Meeting	May 5, 2005
Appearance	TIDA Board Meeting	July 26, 2006

Risk Associated with Accommodating the Windsurf Use During Remediation

The Navy has taken the position that even if they were required to look at mitigating the project impact to the windsurfing use, the windsurfing use cannot be safely allowed in or near the project area. There have been a number of general statements regarding possible risk to windsurfers that seem to suggest there is risk from:

- Exposure to Toxic Materials
- Truck Traffic
- Injuries/Interference within the Job Site

SFBA comments:

(1) Exposure to Toxic Materials:

The proposed remediation plan calls for the toxic soil to be controlled so that toxic materials do not put humans or the natural environment as risk. If the job is done properly, there should be no risk to anyone outside of the work zone. Dust monitors should be operating and work should stop if toxic materials are being dispersed. This is an issue that relates to residents and the health of the San Francisco Bay as well as to recreational users.

(2) Truck Traffic

Providing access for windsurfers as per the plan illustrated in my letter dated January 19, 2007 would require that vehicles be allowed to travel on Avenue M between 13th Street and the alternate lot that lies between the old training building (No. 461) and the sewer plant. It appears from reading of the negative declaration that the level truck traffic on Avenue M would be approximately 3.5 trucks/hour. This level of traffic is moderate and would not create an undo risk. If necessary, a flag man could be employed at a cost that would be negligible as compared with the project cost of over $11 million. Most windsurfers arrive between 2-4 p.m., so there would be very little potential for traffic conflict until the end of the project work day. Most windsurfers leave the area after 5 p.m., so there would be almost no conflict at all with departing windsurf traffic. The use level by windsurfers is lower on weekdays, so the number of arriving cars on a weekday when the wind conditions were good would probably be around 15 cars/hour.

(3) Injuries/Interference within the Job Site

Windsurfers have no conceivable reason to enter the jobsite area and if is properly fenced off, there will not be a risk of someone inadvertently wandering into the job site. Our proposal for an access corridor along the east edge of the parking lot could create a corridor for access that could easily be fenced off from the work area. It seems likely that workers can conduct their work in a way that would not endanger people on the far side of the fence.

Practicality of Proving an Access Corridor

Providing access for windsurfer as per the plan illustrated in my letter dated January 19, 2007 would require two modifications to the proposed remediation plan

- Reduce the work area in the Boat Ramp Parking Lot
- Allow vehicles to travel on Avenue M between 13th Street and the Alternate Lot

SFBA Comments:

(1) Reduce the work area in the Boat Ramp Parking Lot

The area required to provide an access corridor allowing windsurfers to reach the traditionally used launch point on foot is about 3,600 square feet (20' wide by 180' long). The entire area of the boat ramp parking lot (excluding the roadway/extension of Avenue I) is approximately 31,250 square feet. If an access corridor were provided, it would reduce the space available for remediation in the boat ramp parking lot by approximately 11.5% and the reduction would be on the side of the parking lot farthest from the road where access would be most necessary for the remediation contractor.

The boat ramp parking lot accounts for about 12% of the total space set aside for remediation that is outside of the remediation area (not even counting the truck staging area). Giving the windsurfing users an access corridor would mean reducing the area for dirt and debris loading and storage by about 1.5% overall. It seems unlikely that the remediation plan anticipated packing the uses in so tightly that there is not room to accommodate windsurfing users.

(2) Allow vehicles to travel on Avenue M between 13th Street and the Alternate Lot

Providing access for windsurfers as per the plan illustrated in my letter dated January 19, 2007 would require that vehicles be allowed to travel on Avenue M between 13th Street and the alternate lot that lies between the old training building (No. 461) and the sewer plant. This stretch of road is approximately 750' long and is a straight stretch of road so that impaired visibility does not create any concerns.

Risks Associated with Accommodating Windsurf Use in General

The Navy has also expressed concern that the windsurfing use is generally fraught with risk and could lead create a liability risk for the Navy independent of the remediation project. Windsurfers have been launching from Treasure Island for over 10 years with light use during the Navy's tenure and a brief period of low use when TIDA limited public access to the island. For the last five years the use level has been relatively high with peak periods probably accommodating about 300 windsurf sessions/week or 1,300 windsurf sessions/month. It is probably conservative to estimate that there have been over 20,000 windsurf sessions launched from Treasure Island in recent years. During this time, I am not aware of any litigation, claim, or serious injury resulting from the windsurfing use. Because the windsurfing community is close knit, I normally hear of these types of issues.

In the San Francisco Bay Area, the vast majority of windsurf access is provided on public property. None of the entities that control these areas have judged that windsurfing access is unusually risky or that

windsurfers should have to provide insurance. These locations include both user friendly launches and launches that require windsurfers to climb up and down an armored shore:

National Park Service - Golden Gate National Recreation Area - Crissy Field & Fort Baker
San Mateo County - Coyote Point Park
City of Berkeley - Berkeley Marina
State of California - Candlestick Point Park
City of Larkspur - Larkspur/Larkspur Landing
Foster City - "Third Avenue" - North end of Lakeside Drive

Navy Obligation to Residents

The Navy has stressed that it has an obligation to minimize impacts to residents. SFBA believes that the remediation work should be completed and should be completed with the least possible impact to Treasure Island residents. There does not appear to be any conflict between accommodating the windsurf use and reducing impacts to residents. It makes sense that the Navy may have selected work areas that were intended to be remote from the residential area when developing the remediation plan. The idea that there are no areas left that could be used as an alternative to using all or part of the boat ramp parking lot without having a negative impact on residents does not follow unless one concludes that the Navy has already put every practically useful area into play in the proposed remediation plan. From the outside, it is difficult to come to this conclusion when one sees large open areas that are as remote from the residences as other work areas and that appear to be unused. One possibility is that the remediation project could enlarge the area already slated for use between Avenue H and Avenue I in order to provide for more work area if it is truly needed. If that area were expanded by as much as 50' in a northerly direction, it would still be 250' distant from the nearest residences and would add 12,500 s.f. of space which would more than make up for the loss of 3,600 s.f. of work area at the boat ramp parking lot. It appears from an aerial view that all of the other major work areas are within 200' of residences.

Navy's Lack of Knowledge about Windsurfing Use

The Navy has suggested that the conflict between the proposed remediation plan and the windsurfing use is in part based upon the Navy being unaware of the windsurfing use. As far as I know the Navy was not directly informed of the conflict between the remediation plan and the windsurfing use until November 2006. On the other hand, the public notices distributed by the Navy did not indicate that the boat ramp parking lot might be impacted by the mediation work. Notice distributed in September 2006 and November 2006 showed a solid line around the TI housing area and created the impression that the TI housing area was synonymous with the project area. The notices did not give any indication that access to other areas would be precluded. In any event, in my experience with other project, the public comment period is used as a way to gather information so that a plan can be modified if appropriate. In this case, the Navy seems to take the stance that the plan cannot be modified once it has been proposed. The Navy has indicated from the start that it would begin work with a week following the close of public comment regardless of the comments received and that the Navy would start a portion of the work that does not occur within the housing area before the response to comments is issued.

SAN FRANCISCO BOARDSAILING ASSOCIATION
1592 UNION STREET, BOX 301 • SAN FRANCISCO, CALIFORNIA 94123

Sincerely,

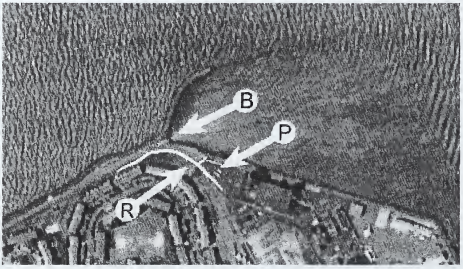
Peter Thorner
President, San Francisco Boardsailing Association

phone: (510) 517-4422
e-mail: thorner@sfba.org

Please copy written responses to :
Peter Thorner
900 Fifth Avenue, Suite 100
San Rafael, CA 94901

Cc: Mirian Saez
Jack Sylvan
Treasure Island Development Authority
Jay Wallace, Treasure Island Community Dev.
Bay Conservation & Development Commission
Save The Bay
Bay Access, Inc.

Currently, most windsurfers rig in or near the parking lot on dirt, gravel, or pavement. Rigging on rough surfaces scratches sails and wears down the tops lines of the sail to the point that they can fail and require repairs. Some windsurfers have been rigging on a dry grassy area that is behind the nearby residences. This area is ideal for rigging, but the area is separated from the parking area and the pedestrian path by a chain link fence. A rigged sail must be carried out through a gate that is about 3' wide. This is difficult to do when it is windy because the sail is normally carried laid out flat so that wind will not pull the sail out of the carriers hand. When the sail is held sideways, it catches more wind and it is difficult to control and may get blown into the fence.



B = Boatramp

P = Parking

R = Proposed Rigging Area

If a section of fence were removed between the grassy area and the pedestrian path, windsurfing sails could easily be rigged in the grassy area and then carried to and from the boat ramp area. There is currently a safety gate at the north end of the parking area that prevents vehicles from driving onto the pedestrian path. If a section of the fence that separates the grassy areas from the pedestrian path was removed to the north of the safety gate, then the removal would not create an area where vehicles might gain access to areas that are restricted to vehicles.

1/26/07 - This proposal was prepared after conversation with Stephen Proud of the TIDA staff and forwarded to him by e-mail from Peter Thorner of STBA in August 2002. The section of fence in question was subsequently removed by TIDA.



Rigging Area



R = Removal points - fence to be removed between 'R's

G = Location of gate separating parking area from pedestrian path



The existing poles would be cut to approximately 3' high and capped. Additional poles could be added if there is a concern that vehicles could access the pedestrian path via the grassy area. Removing 3 bays of fence would leave enough room for two windsurfers carrying sails to pass each other on the way in and out.

Arc Ecology

4634 Third Street ♦ San Francisco, California 94124
phone: 415 643 1190 ♦ *fax*: 415 643 1142 ♦ *e-mail*: evebach@arcecology.org

January 25, 2007

Members of the Planning Commission
City and County of San Francisco
San Francisco, California

RE: Treasure Island Redevelopment

Dear Commissioners:

As you begin your involvement in the redevelopment of Treasure Island (including Yerba Buena Island), I would like to share with you the comments Arc Ecology presented to the Board of Supervisors when they considered the Term Sheet for this project. Arc Ecology has been participating in the dialog about the future of Treasure Island for more than fifteen years. We believe that current plans have much promise, but as you will read in the attached comments, we also have some major concerns about ultimate delivery of the public benefits that the project hopes to provide.

In their amendments to Resolution 699-06 endorsing the Term Sheet, the Supervisors have established a process to address these concerns We urge you to keep their action in mind as you carry out your critical role, including approval of a new EIR and the redevelopment plan. Your perspective will be crucial in articulating a final project that reliably addresses citywide opportunities and constraints, as well as the many complexities that redevelopment of the islands presents.

I hope our comments will be helpful to you.

Yours truly,

Eve Bach

Eve Bach
Staff Economist/Planner

Cc: Planning Director
Board of Supervisors
Treasure Island Development Authority
Treasure Island Citizens Advisory Board
Michael Cohen
Jack Sylvan
Jay Wallace

Living BLACK:



Stitching Together Time, Place and Spirit

Celebrating the beauty and relevance of African Americans and Africans of the Diaspora.

A month long Celebration of Black History Month on Treasure Island

Events include :
soul food veggie cooking class,
a read-a-thon,
health & lifestyle information,
children and family activities,
the visual and literary arts
and music from the
African Diaspora.

Opening Art Exhibit & Public Reception

February 8th, 2007
Building One Gallery

5:30 pm - 8:00 pm

ALL EVENTS
ARE FREE AND
OPEN TO THE PUBLIC

Sponsored by Boys & Girls Club Treasure Island, Catholic Charities CY
San Francisco Public Library, Treasure Island Development Authority,
Treasure Island Homeless Development Initiative
(partial list)
for more info 415. 274-0311

Living BLACK:

Stitching Together Time, Place and Spirit

Celebrating the beauty and relevance of African Americans and Africans of the Diaspora.

A month long celebration of Black History Month on Treasure Island

February 2007

"One who knows does not die like one who does not know"

Yoruba proverb

African American Web links:

www.moadsf.org

www.sfblackhistory.org

www.oaklandlibrary.org/aamlo

www.blackvoices.com

www.blackquest.com

All events are FREE and open to the public

Sponsored by:

The Boys & Girls Club Treasure Island

Catholic Charities CYO

San Francisco Public Library

Treasure Island Development Authority

Treasure Island Homeless Development Initiative

(partial list)

for more info 415. 274-0311

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				The Boys & Girls Club will offer programming through out the month in honor of Black History month. Call for details 415. 362-1383 1	2	3
4	5	SF Black Nurses Association **Health** Shipshape Bldg. 2pm– 5pm 6	Bay Area Vegetarian's Soul Food Veggie Cooking Class 6pm-8pm Shipshape Bldg. 7	Opening Reception & Art Exhibit 5:30– 8pm Building One Gallery 8	9	10
11	12	*La Casa de Las Madres* Shipshape Bldg. 2pm– 5pm 13	"Love Will Save The Day" 14 	*"Reading is a Treasure"* Read- a- thon • Boys & Girls Club 4pm-6pm • Family Room 5:30-7pm For more details call 274-0311 15	16	17
18	19	SF Black Nurses Association **Health** Shipshape Bldg. 2pm– 5pm 20	21	*Closing Ceremonies & Showcase* Boys & Girls Club 4pm-6pm 22	23	24
25	26	27	28			

Residential Advisory Notice

TREASURE ISLAND DEVELOPMENT AUTHORITY



Please be advised:

Ramp closures beginning Friday, January 12, 2007:
The Westbound I-80 on-ramp from Yerba Buena Island (on the east side of the
tunnel) to the Bay Bridge will be closing on Friday night, January 12, 2007, at 11:00 pm. This ramp will be closed through October 2007 in order to facilitate bridge construction. MUNI bus service on Macalla Rd. will be interrupted during this time. A shuttle service will run from the US Coast Guard base entrance to the Main Gate and will stop along the way on Macalla Rd. to pickup residents. The shuttle route will operate 24/7 in conjunction with the MUNI schedule.

Ramp closures beginning January 25, 2007:
The Eastbound I-80 off-ramp to Yerba Buena Island (on the west side of the tunnel) from the Bay Bridge will be closed. Additional details will be provided shortly. Please visit www.baybridgeinfo.org regularly for the latest
information closures

If you experience any problems please notify TIDA staff at 559-9026.

Bart Nay
Public Information Officer
California Department of Transportation
San Francisco Oakland Bay Bridge
311 Burma Road
Oakland, CA 94607

TREASURE ISLAND DEVELOPMENT AUTHORITY

Building One
410 Avenue of the Palms
San Francisco, CA 94130

Phone: 415-274-0660
Fax: 415-274-0299
E-mail: TIDA@sfgov.org

If you wish to receive notices and community information electronically, please e-mail Marianne.Thompson@sfgov.org.

Mirian Saez,
Director of Island Operations

Mayor Gavin Newsom
Claudine Cheng, President, Treasure Island Development Authority
Mirian Saez, Director of Island Operations

Produced with the assistance of "Good Neighbors" - volunteers on TI/YBI

February 2007

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Living BLACK—a month long celebration of Black History Month on Treasure Island. All events are free and open to the public. **For more info, call 415-274-0311**				1 **Chicken Hooray!** 3 pm — 7:30 pm	2	3
4 **Farmers' Market** 9 am — 2 pm	5	6 **SF Black Nurses Association Health** 2 pm—5 pm	7 **Soul Food Veggie Cooking Class** 6pm to 8pm	8 **Chicken Hooray!** 3 pm — 7:30 pm **Opening Reception/Art Exhibit** **Black History Month**	9	10
11 **Farmers' Market** 9 am — 2 pm	12	13 **CAB Meeting** **La Casa De Las Madres** 2 pm—5 pm	14 **TIDA Meeting** 1:30pm to 4:00 pm	15 **Chicken Hooray!** 3 pm — 7:30 pm **"Reading is a Treasure" Read-a-thon** 4 pm—7 pm	16	17 **Treasure Island Clean Up Day** 8:00 am - 12:00pm
18 **Farmers' Market** 9 am — 2 pm	19	20 **SF Black Nurses Association Health** 2 pm—5 pm	21 **Community Meeting** 7 pm — 8:30 pm	22 **Chicken Hooray!** 3 pm — 7:30 pm **Closing Ceremonies** 4 pm — 6 pm	23	24
25	26	27	28	**See "Events" section for more details on events** **Deadline for March Calendar: 2/21**		

Important Numbers to Have

Emergency:	**Dial 911**	
Leasing Office	(415) 834-0211	
• Maintenance	(415) 834-0211	
• Emergency After Hours	(415) 445-2184	
Comcast	(800) 266-2278	
Muni/511.Org	Dial 511	
Treasure Island Development Authority	(415) 274-0660	
SBC/ATT	(800) 310-2355	
SFICA - Community Association	(415) 520-6672	
SF Unified School District	(415) 242-2600	
San Francisco Supervisor Chris Daly	(415) 554-7970	
Treasure Island Creative Network	(415) 274-0311	ext. 301
Treasure Island Development Authority	(415) 274-0660	
Treasure Island Homeless Dev. Initiative	(415) 274-0311	

Island Related Websites

www.sfgov.org/Treasureisland	*(TI Development Authority)*
www.TIHDI.org	*(TI Homeless Dev. Initiative)*
www.TreasureIslandOnline.net	*(Community Resources/News)*
www.94130.com	*(Online community)*
www.94130.net	*(Online community)*

Recreation

TI Sailing Center	www.tisailing.org	(415) 421-2225
Golden Gate Rugby	www.sfggrfc.com	(415) 335-3079
SF Stars Netball	www.starsnetball.com	(415) 259-8489
YMCA Gym		(415) 765-9037
Marina	www.treasure-isle.com	(415) 981-2416
Yacht Club	www.tiyc.org/	(415) 434 4475
SF Little League	www.sfll.org	(415) 263-0510

Youth

Kidango	www.kidango.org	(415) 834-0602
SF Boys & Girls Club	www.bgcsf.org	(415) 693-0264

Stores

Treasure Island Mini-Market 7 a.m. to 8 p.m., Saturday & Sunday 10 a.m. to 7 p.m.
Treasure Island Photo Booth Treasure Island front gate. Hours are variable.

Fresh Food

Farmer's Market Marina Parking Lot First Three Sundays of the month 9am - 1 pmPlease use the Building One parking lot for your car.

Chicken Hooray! The Chicken Hooray! Truck will serves fresh, hot chickens every Thursday in the Chapel Parking Lot. Please look for the red and silver checkered rotisserie truck. Hours of Operation: 3:00 PM to 7:30 PM

Restaurant

Crossroads Cafe by the Bay Treasure Island Marina parking lot, outside the Treasure Island front gate Hours of operation: Tuesday through Friday: 7 a.m. to 3 p.m., Saturday: 8 a.m. to 3 p.m *For to-go orders, please call (415) 362-5851 during regular business hours.*

Job Corps Advanced Culinary Academy Fine Dining Restaurant Job Corps - Building 368, 9th Street and Avenue C
Hours of operation: Tuesday through Thursday: 12 noon to 1 p.m. *Reservations required. Please call **(415) 277-2301***

Delivery to the Islands

Planet Organics	(800) 956-5855	www.planetorganics.com
Chinese Food Mae Lee	(415) 242-1006	
Gino's Pizza	(415) 922-0202	
Pizza Lover	(415) 437-9400	

Events

First Three Sundays of the Month— 9 am – 2 pm Farmer's Market Fresh fruit, vegetables, and flowers. Marina parking lot.

Every Thursday: 3 pm – 7:30 pm Chicken Hooray! Serving fresh, hot chicken in the Chapel parking lot. Please look for the red and silver checkered rotisserie truck.

February is Black History Month. TIHDI and TIDA are sponsoring Living Black, a month long celebration on Treasure Island, highlighting the beauty and relevance of African Americans and the Africans of the Diaspora. All events are free and open to the public. For more information call 415-274-0311. The Boys & Girls Club will also offer programming through out the month in honor of Black History Month. Call 415-362-1383 for more info.

February 6, 2pm—5pm SF Black Nurses Association—Healthcare, Shipshape building.
February 7, 6pm—8pm Free Soul Food Veggie Cooking Class, Shipshape building.
February 8, 5:30—9 pm Black History Month Opening Reception, Building 1 Gallery
February 13, 2pm—5pm La Casa de Las Madres, Shipshape building
February 13, 6 pm CAB meeting . Location varies
February 14, 1:30 pm – 4:00 pm TIDA Meeting Treasure Island Development Authority Meeting, 2nd Wed of each month unless otherwise specified. San Francisco City Hall, Room 400, E-mail TIDA@sfgov.org for more information
February 15, "Reading is a Treasure" Read-a-thon, Boys & Girls Club, 4-6pm, Family Room
February 21, 7 pm – 8:30 pm Community Meeting. Sponsored by TIDA, TIHDI and SFICA. Come to hear the latest on things that affect the community. In the Shipshape building.
February 22, 4pm—6pm Closing Ceremonies and Showcase for Black History Month. Boys & Girls Club

City-Wide Events and Opportunities

Free Dental Care for Kids — Saturday, February 3rd 10:00 am to 4:00 pm. UCSF School of Dentistry, 202 Parnasas Ave. Free dental sealants, fluoride treatments, toothbrushes, toothpaste and floss, adult screening with possible future dental care for qualified patients. For more info, email smilesforkids@gmail.com.

Information is Power (especially when the lights go out) AlertSF.Org is 24/7 text-based emergency information to your wireless device, anytime, anywhere. AlertSF will send tsunami alerts, severe weather/flooding notifications and post-disaster information to your registered wireless device and e-mail accounts. This free and handy service is offered by the San Francisco Office of Emergency Services & Homeland Security. **Log on to www.AlertSF.org today!**

Treasure Island Cleanup, Saturday, February 17th from 8:00 am to 12:00 p.m.
Get a head start on your spring cleaning. This is a clean up for all items except for toxic materials such as oil and batteries. The collection site will be located at the corner of 13th Street and Avenue E.

If they came for me today… Japanese American Internment Project. January 13—March 18th This program, sponsored by the public library, documents the legacy of Japanese Americans forced to live in internment camps during World War II. Drawing on the oral histories of 15 local Japanese Americans who were themselves interned or whose parents were internees, students from George Washington and Balboa high schools and Horace Mann Middle School in San Francisco created a unique exhibition that simultaneously chronicles the experiences of one generation and the reactions of another. Located in the Skylight Gallery, Main Library, 6th Floor.

Volunteer to participate in an Emergency Preparedness Drill - get free lunch AND two tickets to a 2007 Giants game, and a special gift. Saturday, February 24, 2007 from 11:00 a.m. to 2:00 p.m.. For more information and to sign up, please call 415-972-1526 or E-mail: sfdrill@sfgiants.com

AGENDA ITEM 8 (b)
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: **Resolution Authorizing the Director of Island Operations to Execute the Proposed Twentieth Amendment to the Land and Structures Master Lease with the United States Navy.** *(Action Item)*

Contact Mirian Saez
Director of Island Operations
415-274-0660

BACKGROUND

On November 19, 1998, the Authority entered into an agreement with the United States Navy (Navy) for Master Lease (Lease Number N6247499RP42P12), called the Land and Structures Lease. The lease premises include among many others, Building 201, land subleased to San Francisco Little League, a parking lot subleased to Goodwill Industries, as well the land subleased to Rubicon Enterprises to support landscape operations on Treasure Island. The Navy has offered the Twentieth Amendment to the Land and Structures Master Lease to include the banner space above the Yerba Buena Island Tunnel in the lease premises on the same terms and conditions that currently exist under the Land and Structures Master Lease.

Currently, the Project Staff, at the request of the Navy's Caretaker Site Office, manages the rental schedule of the banners that hang above the Yerba Buena Island Tunnel. Banners are chosen through an application process on a first-come, first-served basis. The monthly fee is $7,500.00. Most banner announcements are provided by regional transportation agencies to support campaigns to increase BART ridership, use 511 for traffic information and announce construction related events such as Bay Bridge closures. On occasion, the banner space is used to announce City related events. The approval of proposed Twentieth Amendment would allow the Director of the Island Operations to execute and amend the Land and Structures Master Lease to include the banner space above the Yerba Buena Island in the Lease Premises.

RECOMMENDATION

Project Staff recommends approval of the Twentieth Amendment to the Land and Structures Master Lease to formally include the banner space area above the Yerba Buena Island Tunnel into the lease premises.

EXHIBITS

Exhibit A: 20TH Amendment to the Land & Structures Lease

Prepared by Frishtah Afifi, Project Administrator
For Mirian Saez, Director of Island Operations

FILE NO. _____ RESOLUTION NO. _____

[20TH Amendment to the Land and Structure Lease]

Resolution Authorizing the Twentieth Amendment to the Land & Structure Lease between the Authority and the Navy to add the banner area above Yerba Buena Island Tunnel to the Leased Premises.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America (the "Navy"); and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and

WHEREAS, The Authority and the United States of America, acting by and through the Department of the Navy (the "Navy"), entered into a master lease dated November 19, 1998, for the Authority to use and rent out certain land and structures in certain areas of Treasure Island (the "Land and Structures Master Lease") at no rent; and,

WHEREAS, The Land and Structures Master Lease enables the Authority to sublease portions of the master leased area for interim uses and generate revenues to support the interim uses and the future redevelopment of the former Naval Station Treasure Island; and

WHEREAS, the Authority wishes to include the banner area above the Yerba Buena Tunnel to the Leased Premises of the Land & Structure Lease; and,

WHEREAS, the Navy concurs with the addition of the banner area to the Land and Structure Lease; **NOW, THEREFORE,**

BE IT RESOLVED,That the Board of Directors hereby authorizes the Director of Island Operations to enter into the 20TH Amendment to the Land and Structures Master Lease in substantially the form attached hereto as Exhibit A.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on February 14, 2007.

_____
John Elberling,
Secretary

TWENTIETH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this _____day of_____2007, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1999, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 1 **LEASED PREMISES** add the following:

"Use of the banner space above Yerba Buena Island Tunnel"

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

_____

Title_____

TREASURE ISLAND DEVELOPMENT AUTHORITY

_____

Title_____

APPROVED AS TO FORM:

_____
CITY ATTORNEY

AGENDA ITEM 8 (c)
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject:	Resolution Authorizing the Director of Island Operations to Execute a Fifth Amendment to the Sublease with Delancey Street Foundation to Retroactively Extend the Term on a month-to-month basis through November 30, 2007 and to assess Percentage Rent (Action Item)
Contact	Mirian Saez, Director of Island Operations
Phone	(415) 274-0660

BACKGROUND

On October 1, 1998, the Authority Board entered into a Sublease ("Original Sublease") with the Delancey Street Foundation ("Delancey Street" or "Subtenant") for use of Building 229 as a Charter School known as the Life Learning Academy and Buildings 183 and 298 as a coffee shop/café in association with their vocational program for culinary arts.

The Original Sublease term commenced on October 1, 1998 and terminated on September 30, 2000. The Original Sublease also granted the Subtenant five successive one-year options to extend the Term of the Sublease. Delancey Street exercised the extensions over the years. On February 22, 2006, the Authority Board approved the last of the options as a retroactive extension of the term through December 31, 2006.

On October 30, 1998, the Original Sublease was amended by the First Amendment to the Sublease to state that in the event of a conflict between the rights and responsibilities granted to the Subtenant and the rights and responsibilities granted to the Treasure Island Homeless Development Initiative ("TIHDI") by the San Francisco Board of Supervisors and approved by the Department of Housing and Urban Development under the Base Closure Community Redevelopment and Homeless Assistance Act of 1994, the rights and responsibilities granted to TIHDI would prevail.

On September 13, 2000, in response to a request by Delancey Street the Board approved a Second Amendment to the Sublease to reduce the premises by excluding Building 298. At present, Delancey Street's presence at Treasure Island consists of:

- Building 229. The Life Learning Academy (LLA), a diploma-granting San Francisco Unified School District Charter School designed to serve 60 high-school aged youths who have not been successful in other school settings.
- Building 183. The Crossroads Café is a full-service café operated by the Delancey Street Life Learning Academy faculty, staff and students. The Café is open Tuesdays through Saturdays during breakfast and lunch hours. It serves Treasure Island residents, workers, students and visitors. Since the Café is an extension of the school, it is not open during most school holidays.

Under the terms of the Original Sublease, rent or consideration for use of the premises consisted of the following elements.

1. A requirement to make improvements to the buildings (the "Required Improvements");
2. Pay all costs and expenses of operating the Premises, including, all Common Area Maintenance (CAM) charges; and
3. After recovering its costs of making the Required Improvements to the Café from Gross Revenues, the Subtenant agrees to pay Sublandlord on a monthly basis 2% of such Gross Revenue as percentage rent.

Required Improvements

In accord with an Accessibility Plan Check prepared by the Disabled Access Division of the City and County of San Francisco, the Café required substantial renovations to bring it in compliance with requirements of the Americans with Disabilities Act. According to the Staff Report submitted to the Board on April 14, 2004, the Café building required extensive improvements to make it functional as a restaurant and to bring the building into compliance with the City's building code.

Required Improvements were not defined in the Sublease. An undated Scope of Work was included in the file. The undated Scope of Work described typical tenant improvement costs, including costs for demolition and foundation work, interior reframing, costs for new ceiling tiles, walkways and paths as well as the cost of painting, tiling, siding and roofing work. The costs described in the Scope of Work totaled $85,500. On April 16, 2001, Life Learning Academy submitted Academy & Crossroad Café Renovation Costs prepared by the Juvenile Justice Project (the "JJP Costs"). In the cover letter accompanying the submittal, Carol Kizziah, Dean of Life Learning Academy stated "Here are all the renovation expenses for the Life Learning Academy and the Crossroads Café. I have highlighted the Café costs." The highlighted Cafe costs, totaled $87,366.38.

Waiver of Rent and CAM

The Staff Report submitted to the Board at its April 14, 2004 meeting also described the method used by staff to calculate percentage rent owed by the Subtenant in accord with the terms of the Original Sublease. Based on this calculation, staff stated that $2,550 was payable by the Subtenant as Percentage Rent for the Years 2001, 2002 and 2003. Staff arrived at this amount by deducting the cost of Required Improvements ($85,500) from the sum of Gross Revenue reported by the Café for the Years 2001, 2002 and 2003 (approximately $213,000). The difference of $127,500 was multiplied by 2% to conclude that Total Percentage Rent Due for 2001, 2002 and 2003 was $2,550.

Further, staff noted that the Subtenant was delinquent in payment of CAM Charges in the amount of $19,560 due to substantial budget limitations facing the Subtenant's funding sources. In support of staff's recommendation that CAM charges be waived for the Subtenant, staff referred to a written request from the San Francisco Unified School District ("SFUSD") that Life Learning Academy, a public school chartered by the SFUSD, be treated in a manner similar to the treatment of the Treasure Island Elementary School and not be assessed CAM charges.

On May 1, 2004 the Sublease was amended by the Third Amendment to the Sublease (the "3rd Amendment") to:

(i) Extend the term to December 31, 2005 with no further options to extend;

(ii) Require the Subtenant to submit to the Authority Board an accounting of the Subtenant's Gross Revenues and "In the event that the Board of Directors of Sublandlord determines that Subtenant's annual Gross Revenues are sufficiently high, Sublandlord may, in its sole and absolute discretion, require Subtenant to pay a percentage of such annual Gross Revenues as percentage rent, as approved by the Board of Directors and not to exceed 2%, by adopting a resolution of the Board of Directors of Sublandlord electing to take such percentage rent…;"

(iii) Acknowledge that as of the date of the 3rd Amendment that the Subtenant has spent at least $85,500 in Required Improvements associated with the Café;

(iv) Agree that "there shall be no other rent or Common Area Maintenance Charges assessed against the Premises beginning on the Effective Date and continuing to the expiration of the Term;"

(v) Agree that this is a "triple net" Sublease and that Subtenant shall be responsible for the cost of all utilities, maintenance or services necessary for Subtenant's use of the Premises;

(vi) Acknowledge and agree that as of the date of the 3rd Amendment, the Subtenant owed the Authority Board $19,650.00 in past due CAM Charges and that such past due CAM charges were waived in consideration of the Subtenant making the Required Improvements, operating the premises as a Café and working with the Sublandlord to establish expanded hours for the coffee shop/café.

Delancey Street has complied with the terms of the 3rd Amendment to the Sublease by assuming responsibility for all utilities, maintenance and services for the buildings and by expanding coffee shop hours to include the summer months.

Percentage Rent and Issues Raised by Authority Board at the meeting of January 10, 2007

At the regularly scheduled January 10, 2007, meeting of the Authority Board, project staff recommended that Delancey Street pay percentage rent of $1,708.43 to the Authority for the year ending December 31, 2004, as per the Third Amendment to the Sublease requiring the Subtenant to pay two percent (2%) of Gross Revenue. Gross Revenue for the Café during that period was $85,421.40. Project staff further recommended that the Subtenant pay percentage rent of $2, 132.34 for the year ending December 31, 2005, as per the Third Amendment to the Sublease requiring the Subtenant to pay two percent (2%) of Gross Revenue. Gross Revenue for the Café during that period was $106,617.06. In accord with the terms of the Third Amendment to the Sublease, project staff then asked the Authority Board whether or whether not the Authority Board wished to assess the recommended percentage rent.

A representative of Delancey Street objected to the staff recommendation stating that the Delancey Street Café has had negative net operating income for each and every year of its operations on Treasure Island, including the years 2004 and 2005. The representative stated that Delancey Street does not object to the idea of paying rent for the premises. However, they do not believe that they can afford to pay rent when operating income is negative.

In response to concerns raised by the representative, the Authority Board deferred action on the recommendation of project staff and directed project staff to review the financial statements of the Subtenant and to develop a suitable method of assessing percentage rent that takes into account the ability of the Subtenant to pay rent. In response to direction from the Authority Board, project staff asked Delancey Street to provide a statement of Income, Expenses and Net Operating Income for Calendar Years 2004 and 2005. Information provided by Delancey Street demonstrated that Calendar Year 2005 net loss was $17,393.53.09 against gross revenue of $106,617.08. Calendar Year 2004 net loss was $22,891.06 against gross revenue of $85,421.40.

The Authority Board further directed project staff to develop a method for assessing percentage rent that was administrative, rather than an action by the Authority Board. Project staff has worked with Delancey Street to develop a method to require the Subtenant to pay percentage rent when Café net operating income is positive.

MARKET RATE COMPARABLES/ PUBLIC BENEFIT PROVIDED BY TENANT

Based on a survey conducted by project staff of properties currently available for rent, there is a wide variety of available retail space in San Francisco. A significant portion is allocated to small restaurants in every neighborhood. Monthly retail rental rates range from a low of $1.45 psf per month on 6th Street to over $6.67 psf per month near Union Square. A sampling of comparable properties in San Francisco include: 521 – 6th Street at $1.45 psf per month; 640 Texas Street at $1.50 psf per month; 4802 Mission Street at $1.50 psf per month; and 2000 Judah Street at $2.00 psf per month. A critical distinction is that none of the comparables are affiliated with a high-school training program and all are located in high density neighborhoods with convenient access to a large number of customers. These advantages are not available to the Delancey Street Café on Treasure Island.

The Café provides a substantial public benefit to the Treasure Island Community as a center for convenient, prepared food. The Delancey Street School and Café provide a substantial public benefit to the City and County of San Francisco as training and education facility for youth.

Tenant Request

The Subtenant has requested an extension of the term of the Sublease "under the current terms of the Sublease including a waiver of rent, a waiver of CAM charges, a waiver of all charges."

STANDING AS A TENANT

Delancey Street has no obligation to pay base rent and percentage rent has not been assessed. It is current in its security deposit. The Use is consistent with the terms of the Sublease. A review of the Subtenant's Insurance, however, finds it is inadequate. Delancey Street has not provided the required Endorsement to the policy naming the Treasure Island Development Authority, the City and County of San Francisco, the US Navy and their officers, agents and employees as Additional Insured. The Subtenant has been notified of the deficiency and is cooperating with staff to provide adequate proof of insurance coverage.

RECOMMENDATION

Based on the information provided by Delancey Street, project staff recommends changing the method used to calculate percentage rent from a calculation based on Gross Revenue to a calculation based on net operating income. Net operating income shall be calculated by deducting Operating Expenses from Gross Revenue. Percentage rent shall be an amount equal to five percent (5%) of net operating income. Percentage Rent shall be due and payable within ninety (90) days of the end of the term of the extension or earlier termination of the Sublease. The Subtenant shall submit an accounting of income, expenses and net operating income along with its percentage rent payment with no further notification.

Project staff believes that the use of percentage rent based on net operating income has two benefits. First, the Subtenant would not be liable to pay rent when there is no net operating

income. Second, if the Café does become more successful, then the Authority will be able to share in the success of the Café. Based on project staff discussions with Delancey Street, the Subtenant agrees to accept this method for calculating percentage rent. The Charter School continues to have no obligation to pay base rent.

The Café provides a substantial public benefit to the Treasure Island Community as a center for convenient, prepared food. The Delancey Street School and Café provide a substantial public benefit to the City and County of San Francisco as training and education facility for youth. Therefore, staff recommends the following actions.

1. Retroactively extend the term of the Sublease on a month-to-month basis through November 30, 2007, under the same terms and conditions; and

2. Direct project staff to require the Café to pay percentage rent in the amount of Five Percent (5%) of net operating income per year beginning December 1, 2006.

EXHIBITS

A Fifth Amendment to Sublease Between Delancey Street Foundation and TIDA.

B. Subtenant Request to extend Term

C. 2004 and 2005 Statements of net operating income

D. Exhibit of Premises

Prepared by Marc McDonald, Facilities Manager

for Mirian Saez, Director of Island Operations

FILE NO. _____ RESOLUTION NO. _____

[Extending Term of the Delancey Street Foundation Sublease]

Authorizing The Director of Island Operations To Execute a Fifth Amendment To the Sublease With the Delancey Street Foundation To Retroactively Extend the Term on a Month-to-Month basis through November 30, 2007 and to Establish a Rental Fee of Five Percent of Net Operating Income.

WHEREAS, On May 2, 1997, the Board of Supervisors (the "Board") passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the Base which are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, The Tidelands Trust prohibits the sale of trust property into private ownership, generally requires that Tidelands Trust property be accessible to the public and encourages public-oriented uses of trust property that, among other things, attract people to the waterfront, promote public recreation, protect habitat and preserve open space; and,

WHEREAS, In order to facilitate productive reuse of the Base, it may be beneficial for the Authority to lease or license property from the Navy and, in turn, sublease or sublicense such property to third parties or use such property for municipal purposes; and,

WHEREAS, On September 16, 1998, the Board of Directors of the Authority approved a Sublease with Delancey Street Foundation ("Subtenant") for the use of Buildings 183, 298, and 229 (the "Premises") for a coffee shop/café, a vocational program for culinary arts, and the Life Learning Academy; and,

WHEREAS, The primary purpose of the Sublease is to provide (1) a suitable location for the Life Learning Academy charter school for at-risk boys and girls from San Francisco, (2) a suitable location for a vocational program for culinary arts, and (3) a coffee shop/café staffed by students of the Life Learning Academy culinary arts program serving the visitors and residents of Treasure Island and Yerba Buena Island; and,

WHEREAS, The Sublease did grant to Subtenant five (5) successive one-year options to extend the Term of the Sublease; and,

WHEREAS, On October 30, 1998, the Sublease was amended to state that in the event of a conflict between rights and responsibilities granted to Subtenant by the Sublease and rights and responsibilities granted to the Treasure Island Homeless Development Initiative ("TIHDI") by the Base Closure Homeless Assistance Agreement and Option to Lease Real Property as endorsed by the City's Board of Supervisors, the rights and responsibilities granted to TIHDI shall prevail; and,

WHEREAS, On September 13, 2000, the Authority authorized an amendment to the Sublease to delete Building 229 from the Premises; and,

WHEREAS, On April 14, 2004, after the Subtenant had previously exercised its fourth option to extend the term of the Sublease, the Authority authorized the Third Amendment to the Sublease (the "3rd Amendment") to (i) extend the term of the Sublease to December 31,

2005, with no further options to extend; (ii) remove the obligations to pay percentage rent and Common Area Maintenance ("CAM") charges after May 1, 2004 for the remainder of the term; (iii) waive all past due CAM Charges on condition that Subtenant work with TIDA staff to establish expanded hours for the coffee shop/café operated by the Life Learning Academy; (iv) require the Subtenant to submit an accounting of the Subtenant's Gross Revenues and, in the event the Board of Directors of the Authority determines that Subtenant's annual Gross Revenues are sufficiently high, allow the Board of Directors, in its sole and absolute discretion, to require Subtenant to pay a percentage rent not to exceed 2% of Gross Revenues; (v) acknowledge that, as of the date of the 3rd Amendment, the Subtenant had spent at least $85,500 in Required Improvements mandated by the Sublease; and (vi) agree that the Sublease is a 'triple net" sublease and that Subtenant shall be responsible for the cost of all utilities, maintenance or services necessary for Subtenant's use of the Premises; and,

WHEREAS, On February 22, 2006, the Authority authorized a retroactive extension of the Sublease to December 31, 2006, under the same terms and conditions; and,

WHEREAS, Subtenant has paid all costs typical of a triple net sublease, including payment for all utilities, insurance and operating expenses for its premises; and,

WHEREAS, Subtenant has established expanded hours for the coffee shop/café, those hours being the months of June and July, a period during which the café previously had been closed; and,

WHEREAS, Subtenant has requested extension of the term of the Sublease under the same terms and conditions; and,

WHEREAS, Subtenant has submitted Gross Revenue Statements for the periods January 1 through December 31, 2004 and January 1 through December 31, 2005 as required by the 3rd Amendment to the Sublease; and,

WHEREAS, Subtenant has also submitted Net Operating Income Statements showing the coffee shop/café generated negative Net Operating Income for the periods January 1 through December 31, 2004 and January 1 through December 31, 2005; and,

WHEREAS, The Delancey Street Life Learning Academy and Café provide significant benefits to the Authority by serving as a center for convenient prepared food for the island community and a substantial public benefit to the City of San Francisco as a training and education facility for at-risk youth; and,

WHEREAS, It is in the interest of the Authority to establish rental rates at an amount that is affordable and encourages continuation of the public services provided by the Subtenant; and,

WHEREAS, Staff recommends that the Sublease be extended on a month-to-month basis through November 30, 2007, and that a rental amount equal to Five Percent (5%) of Net Operating Income be assessed as a reasonable method for calculating and assessing rent for the coffee shop/café; **NOW, THEREFORE, BE IT**

RESOLVED, That the Board of Directors hereby finds that entering into the proposed amendment to the Sublease will serve the goals of the Authority and the public interests of the City and the terms and conditions of the proposed amendment to the Sublease are commercially reasonable under the circumstances; **AND BE IT**

FURTHER RESOLVED, That the Board of Directors hereby approves the retroactive extension of the term of the Sublease on a Month-to-Month basis through November 30, 2007; **AND, BE IT**

FURTHER RESOLVED, That the Board of Directors hereby directs staff to assess on an annual basis commencing December 1, 2006 Percentage Rent equal to Five Percent (5%) of Net Operating Income for the coffee shop/café; **AND BE IT**

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to retroactively enter into an amendment to the Sublease in substantially the form attached hereto as Exhibit A.

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CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on February 14, 2007

_____

John Elberling, Secretary

FIFTH AMENDMENT TO

SUBLEASE

between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

DELANCEY STREET FOUNDATION

as Subtenant

For the Sublease of

Buildings 183 and 229 at
Naval Station Treasure Island
San Francisco, California

FEBRUARY __, 2007

FIFTH AMENDMENT TO
TREASURE ISLAND SUBLEASE

THIS FIFTH AMENDMENT TO SUBLEASE (the "Fifth Amendment"), dated as of February __, 2007, is entered into by and between the Treasure Island Development Authority ("Sublandlord") and Delancey Street Foundation, a 501(c)(3) non-profit corporation ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Amendment is made with reference to the following facts and circumstances:

A. Sublandlord and Subtenant entered into a Sublease dated October 1, 1998 (the "Original Sublease") for the use of Buildings 183, 298 and 229 on Naval Station Treasure Island as a Life Learning Academy operated by Subtenant. The Original Sublease was amended by that First Amendment to Sublease between the Parties dated October 30, 1998 (the "First Amendment") to recognize the rights of the Treasure Island Homeless Development Initiative in connection with Subtenant's rights. On September 13, 2000, the Authority authorized an amendment to the Sublease to remove Building 298 from the Premises (the "Second Amendment"). On May 1, 2004, the Sublease was amended pursuant to a Third Amendment to Sublease (the "Third Amendment") to (i) extend the term to December 31, 2005, (ii) agree that no rent shall be assessed for the Premises beginning on the Effective Date and continuing to the expiration of the Term, and (iii) beginning May 1, 2004, and continuing for the remainder of the Term, Subtenant shall not be required to pay monthly CAM Charges. On February 22, 2006, the Authority authorized a Fourth Amendment to Sublease (the "Fourth Amendment") to retroactive extend the Sublease to December 31, 2006, under the same terms and conditions. The Original Sublease, the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment are collectively referred to herein as the "Sublease." Except as otherwise expressly stated herein, all capitalized terms shall have the meaning given in the Sublease.

B. The Parties wish to amend the Sublease as stated herein below.

NOW THEREFORE, Sublandlord and Subtenant agreed to retroactively amend the Sublease as follows:

1. Section 3.1 of the Sublease is hereby amended to read as follows:

"**3.1 Term of Sublease.** The term of this Sublease (the "Term") shall commence on October 1, 1998 (the "Commencement Date") and continue on a month-to-month basis through November 30, 2007, unless earlier terminated as provided in this Sublease. Either party may, in its sole discretion, terminate this Sublease by giving thirty (30) days prior written notice to the other party.

2. Section 3.4 of the Sublease is hereby amended to read as follows:

"**3.4 Consideration.** Throughout the Term, the consideration for Subtenant's use of the Premises shall be comprised of the following: (i) Subtenant shall make the Required Improvements described in Section 6.1 of the Sublease, (ii) Subtenant shall use the Premises for the public purposes described in Section 5.1 of the Sublease and for no other purposes, (iii) Subtenant shall continue to work with Sublandlord to ensure continuation

of expanded hours for the coffee shop/café operated by the Life Learning Academy's culinary arts program; and (iv) within Ninety (90) days after the expiration date of this extension of the Term of the Sublease or earlier termination of the Sublease, Subtenant will submit to Sublandlord an amount equal to five percent (5%) of Subtenant's Net Operating Income as Percentage Rent for the period beginning December 1, 2006 and ending on the expiration date or the date of termination of the Sublease. Within Ninety (90) days after the expiration date or earlier termination of the Sublease, Subtenant shall submit to Sublandlord a detailed accounting, together with all supporting data, materials, receipts, or other evidence reasonably requested by Sublandlord, of all of Subtenant's Gross Revenues, Operating Expenses and resulting Net Operating Income for Subtenant's activities at the coffee shop/café for the period just ended. The terms of this Section of the Sublease shall survive the expiration or earlier termination of the Sublease

(a) "Gross Revenues" shall mean the gross selling price of all merchandise or services sold or delivered in or from the Café, including but not limited to any and all income, revenue, compensation or consideration generated from Subtenant's use or operation of the Café.

(b) "Net Operating Income" shall mean Gross Revenues less Operating Expenses.

(c) "Operating Expenses" shall mean the reasonable and customary expenses actually paid by Subtenant to operate the Café. Operating Expenses may include wages, salaries and youth stipends for Café staff; transportation expenses directly related to the operation of the café; Café related licenses and permits; cleaning & repairs to the café; utilities costs, including telephone, gas, electricity, water and sewer; garbage and recycling costs; pest control and supplies used for the Café. Operating Expenses shall not include interest, depreciation, taxes and capital improvements.

(d) The Authority shall be entitled at any time and from time to time during the Term and within three (3) years after the Expiration Date or other termination of this Sublease, to inspect, examine, copy and audit all of Subtenant's books of account, records, cash receipts, tax returns and underlying tax preparation documents, financial statements and other pertinent data. The primary purpose of such examination is to enable the Authority to ascertain, clearly and accurately, Subtenant's Gross Revenues, Net Operating Income and Operating Expenses and to verify that the form and method of Subtenant's record keeping provide adequate and proper control and check of all such revenues. Subtenant shall cooperate fully with the Authority and the Authority's Agents in making the examination. The Authority shall also be entitled at the Authority's option, once during each calendar year and once after the Expiration Date or other termination of this Sublease, to cause an independent audit to be performed by a certified public accountant designated by the Authority. The audit shall be conducted during usual business hours at the Premises or at such other location acceptable to Sublandlord.

(c) The Parties hereby acknowledge that as of the date of the Third Amendment, Subtenant has spent at least Eighty Five Thousand Five Hundred Dollars ($85,500.00) for the Required Improvements associated with Building 183 (the Café), and the Parties hereby agree that except as otherwise stated in this Section 3.4, there shall be no other rent or Common Area Maintenance charges ("CAM Charges") assessed against the Premises beginning on the Effective Date and continuing to the expiration of the Term."

Except as expressly modified herein, all other terms, conditions, and covenants of the Sublease shall remain in full force and effect.

Sublandlord and Subtenant have executed this Fifth Amendment in triplicate as of the date first written above.

SUBTENANT:

Delancey Street Foundation,
a 501(c)(3) non-profit corporation

By: _____ _____
Its: Date

SUBLANDLORD:

The Treasure Island Development Authority

_____
By: Mirian Saez Date
Its: Director of Island Operations

Approved as to Form:

DENNIS J. HERRERA
City Attorney

By: _____

_____
Deputy City Attorney

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DELANCEY STREET
FOUNDATION
600 EMBARCADERO
SAN FRANCISCO, CA 94107

Dr. Mimi Halper Silbert
President & CEO



Mr. Marc McDonald
Treasure Island Development Authority
401 Palm Ave. Treasure Island
San Francisco, CA 94130

January 2, 2007

Dear Mr. McDonald:

This letter serves as notice that subtenant Delancey Street Foundation is requesting to extend the term of the current lease for a one-year term for the Life Learning Academy, Building 229, and the Crossroads Café By the Bay, Building 183. We are requesting this extension under the current terms of the sublease including a waiver of rent, a waiver of CAM charges, a waiver of all charges. Thank you very much for your assistance.

Sincerely,

Mimi H. Silbert, President/CEO

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Crossroads Cafe By The Bay
Statement of Revenue & Expenses
January through December 2004

Income	
4050 · Sales	85,421.40
Total Income	85,421.40
Cost of Goods Sold	
6430 · Cost of Sales	39,046.46
Total COGS	39,046.46
Gross Profit	46,374.94
Expense	
6030 · Operational Supplies	1,866.96
6120 · Bank Service Charges	61.93
6125 · Transportation Expenses	656.74
6230 · Licenses and Permits	749.00
6250 · Postage and Delivery	52.91
6300 · Cleaning & Repairs	5,127.67
6340 · Telephone	390.77
6390 · Utilities	7,300.36
6415 · Garbage	1,638.36
6550 · Office Supplies	30.40
6755 · Pest Control	492.80
6810 · Salaries and Wages	43,840.32
6815 · Youth Stipends	7,057.78
Total Expense	69,266.00
Net Income	(22,891.06)

I, Carol Kizziah, certify that the income and expenses listed in this report are true and correct.

Carol Kizziah, Dean
Life Learning Academy

Crossroads Cafe By The Bay
Statement of Revenue & Expenses
January through December 2006

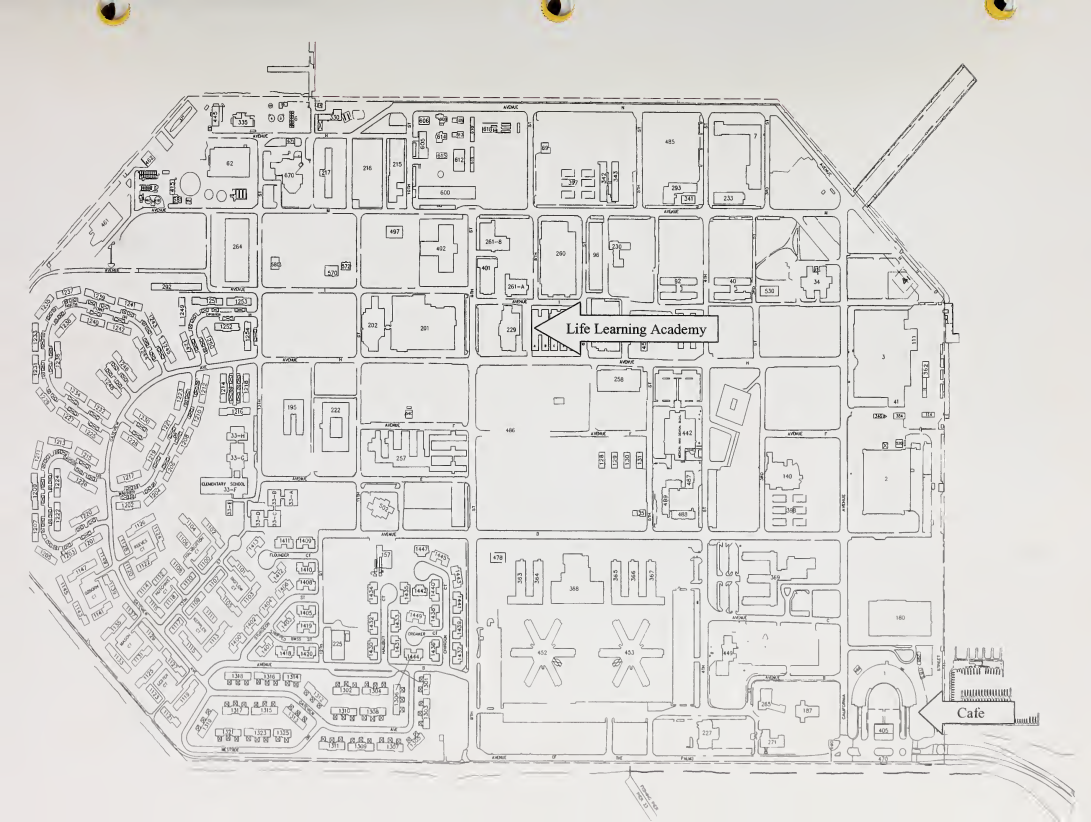
Income		
4060 · Taxable Sales		95,742.86
4065 · Non-taxable Sales		10,874.20
Total Income		106,617.06
Cost of Goods Sold		
5000 · Materials for Resale		45,974.84
Total COGS		45,974.84
Gross Profit		60,642.22
Expense		
6500 · Salary Expenses		50,960.85
6125 · Transportation Expenses		718.67
6230 · Licenses and Permits		204.41
6300 · Cleaning & Repairs		4,012.21
6340 · Telephone		556.80
6390 · Utilities		7,806.36
6420 · Garbage		2,911.81
6431 · Pest Control		509.20
6690 · Youth Stipends		9,100.28
6770 · Supplies		1,255.16
Total Expense		78,035.75
Net Income		(17,393.53)

I, Carol Kizziah, certify that the income and expenses listed in this report are true and correct.

Carol Kizziah, Dean
Life Learning Academy

DELANCEY STREET FOUNDATION 4155125186 2/27/07 10:16 AM #025 P.002/003

RECYCLED
80000 SERIES
10% P.C.W.


Life Learning Academy
Cafe

AGENDA ITEM 8 (d)
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: Resolution Authorizing The Director of Island Operations To Execute the Second Amendment to the Sublease with Kidango Incorporated, to Retroactively Extend the Term for the Use of the Childcare Center on a month-to-month basis through November 30, 2007 (*Consent Item*)

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND

On December 1, 2001, Tri-Cities Children's Centers, a nonprofit corporation and member of the Treasure Island Homeless Development Initiative, entered into a Sublease with the Treasure Island Development Authority to sublease an existing child care facility consisting of approximately 3.11 acres of land and certain improvements on Treasure Island. The term of the sublease was five years with an option vested in the Subtenant to extend the term for up to an additional seven years upon the expiration of the five year term. The Sublease required the Subtenant to make improvements to the building to assure compliance with building codes established by the San Francisco Department of Building Inspection and FEMA 178 Life Safety Standards ("Required Improvements"). In return, the Sublease provided the Subtenant a "Buy-Out Provision" which required the Sublandlord to reimburse the Subtenant an annually declining portion of the costs associated with Required Improvements if the Sublease was terminated before the end of the fifth year of the term or if the Authority elected not to renew the Sublease upon the expiration of the fifth year of the term.

On April 10, 2002, the Sublease was amended (the "First Amendment") to comply with the requirements of a Grant Agreement between the Subtenant and the Low Income Housing Fund to fund certain improvements and operations. This Grant Agreement required the Authority to concurrently notify the Subtenant and the Low Income Housing Fund of any failure by the Subtenant to perform or comply with the terms and conditions of the Sublease.

At the April 9, 2003 regular meeting of the Authority Board, staff informed the Authority Board that the Tri-Cities Children's Center had changed its name to Kidango and that staff had been notified by the US Navy to require Kidango to comply with certain land use restrictions regarding limitations on digging into soil or conducting excavation work on the premises.

On November 30, 2006, Kidango submitted an exercise of the option "to extend our sublease for an additional one year period."

The proposed amendment would extend the term on a month-to-month basis through November 30, 2007. Extension of the term would satisfy the terms of the option vested in the Subtenant as

well as extinguish any obligation on the part of the Authority to reimburse the Subtenant if the Sublease is subsequently terminated. All other terms and conditions, including assessment of a monthly CAM charge of $630.00 would continue unchanged. Kidango will continue to be responsible for payment of all utilities.

MARKET RATE COMPARABLES/ PUBLIC BENEFIT PROVIDED BY TENANT

Kidango pays no rent for the 10,123 square foot facility, yard and adjacent parking. Project staff reviewed listing for available and vacant properties to compare the proposed rental rate against rental rates for comparable properties in the market. A single comparable property was located in Oakland. Located in the working class Seminary District, the turnkey childcare facility houses three classrooms, one office/reception area, three lockable storage areas and a kitchen. Facilities include two buildings containing a total of 6,981 sf., plus an adjacent 3,113 square foot play yard. Monthly rent is listed at $4,831 or $0.69 psf per month. No properties for comparable use were located in San Francisco.

Kidango, a Treasure Island Homeless Development Initiative member organization, provides a significant benefit to the Treasure Island Community and the City of San Francisco by providing a childcare facility. Further, the services provided by the Subtenant serve the goals of the Authority, the 1996 Homeless Services Plan for Treasure Island and the public interests of the City.

STANDING AS A TENANT

Kidango is current in CAM charges as of January 31, 2007. The obligation to provide a Security Deposit was waived as a condition of the December 1, 2001 Sublease. The Use is consistent with the terms of the Sublease. The Subtenant's insurance complies with the requirements described in the Sublease.

RECOMMENDATION

Staff recommends that the exercise by Subtenant of the option to extend the term for an additional year, retroactively from December 1, 2006 through November 30, 2007 under the same terms and conditions be approved.

EXHIBITS:

A. Second Amendment to Sublease Between Kidango, Incorporated and Treasure Island Development Authority.

B. Subtenant letter Extending term of Sublease between Kidango and Treasure Island Development Authority.

C. Exhibit of Premises.

Prepared by Marc McDonald, Facilities Manager
for Mirian Saez, Director of Island Operations

[Amendment to Sublease for Childcare Center to Retroactively Extend Term]

Resolution Authorizing The Director of Island Operations To Execute the Second Amendment to the Sublease with Kidango, Incorporated to Retroactively Extend the Term for the Use of the Childcare Center on a month-to-month basis through November 30, 2007.

WHEREAS, On May 2, 1997, the Board of Supervisors (the "Board") passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997 (the "Act"), which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968, the California legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the Base which are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, Under the provisions of the homeless assistance agreement with the Treasure Island Homeless Development Initiative (TIHDI), TIHDI may request a sublease from the Authority for the use of facilities as a Childcare Center; and,

WHEREAS, On October 17, 2001, the Authority authorized the Executive Director to execute a Sublease for the Childcare Center with the Tri Cities Children's Center for a term of five years with an option vested in the Subtenant to extend the term for up to an additional seven years; and,

WHEREAS, On April 10, 2002, the Sublease was amended to require the Authority to notify the Subtenant and the Subtenant's grant provider, the Low Income Housing Fund, of any failure by the Subtenant to perform or comply with the terms and conditions of the Sublease; and,

WHEREAS, On April 9, 2003, the Board of Directors was given notice that the Subtenant's name was changed from Tri Cities Children's Center to Kidango, Incorporated and that the Subtenant was required by the US Navy to comply with certain land use restrictions regarding limitations on digging into soil or conducting excavation work on the premises; and,

WHEREAS, Subtenant has submitted a request to the Authority to extend the term of the Sublease for a term of one year under the same terms and conditions; and,

WHEREAS, Subtenant, a TIHDI member organization, provides a significant public benefit to the residents of the Treasure Island Community and the City of San Francisco by providing a childcare facility; and,

WHEREAS, The services provided by the Subtenant serve the goals of the Authority, the 1996 Homeless Services Plan for Treasure Island and the public interests of the City; **NOW, THEREFORE BE IT,**

RESOLVED, That the Board of Directors hereby finds that extending the term of the Sublease will serve the goals of the Authority and the public interest of the City and that the terms and conditions of the Second Amendment to the Sublease are commercially reasonable under the circumstances; **AND BE IT**

FURTHER RESOLVED, That the Board of Directors hereby approves and authorizes the Director of Island Operations to enter into a Second Amendment to the Sublease with Kidango, Incorporated in substantially the form attached hereto as Exhibit A, to retroactively extend the term on a month-to-month basis through November 30, 2007, provided that nothing herein shall limit the Authority's ability to terminate the Sublease on thirty days notice as provided in the Sublease.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors at a properly noticed meeting on February 14, 2007.

_____

John Elberling, Secretary

SECOND AMENDMENT TO SUBLEASE

between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

KIDANGO INCORPORATED

as Subtenant

For the Sublease of

The Childcare Center
on
Naval Station Treasure Island
San Francisco, California

February 14, 2007

SECOND AMENDMENT TO
TREASURE ISLAND SUBLEASE

THIS SECOND AMENDMENT TO SUBLEASE (the "Second Amendment"), dated as of the ___ day of February, 2007, is by and between the Treasure Island Development Authority ("Sublandlord") and Kidango Incorporated, a California Corporation ("Subtenant"), formerly known as Tri-Cities Children's Center. From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Amendment is made with reference to the following facts and circumstances:

A. The Parties entered into that certain Treasure Island Sublease dated December 1, 2001 (the "Original Sublease") for Subtenant's use and operation of the Premises as a child care center, all as more particularly shown on the map attached to the Sublease as Exhibit B (the "Premises").

B. On April 10, 2002, the Original Sublease was amended (the "First Amendment") in response to a request from the Subtenant to comply with the requirements of a Grant Agreement between the Subtenant and the Low Income Housing Fund to fund certain improvements and operations. This Grant Agreement required the Sublandlord to concurrently notify the Subtenant and the Low Income Housing Fund of any failure by the Subtenant to perform or comply with the terms and conditions of the Original Sublease. The Original Sublease and the First Amendment are collectively referred to herein as the "Sublease."

C. On February 14, 2007, the Authority's Board of Directors authorized the Director of Island Operations to enter into this Second Amendment to retroactively extend the term of the Sublease.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. Section 3.1 of the Sublease is hereby amended to read as follows:

"**Term of Sublease**. The term of this Sublease (the "Term") shall commence on December 1, 2001 (the "Commencement Date") and continue on a month-to-month basis through November 30, 2007. Either Party may, in its sole discretion, terminate this Sublease by giving thirty (30) days prior written notice to the other Party.

2. This Second Amendment and the extension of the Term of the Sublease hereunder completely satisfy the terms and conditions of Subtenant's option to extend under Section 3.2 of the Sublease. Sublandlord and Subtenant understand and agree that there are no additional options to extend the Term of the Sublease.

3. Section 3.4 **Buy-Out Provision** of the Sublease is hereby deleted in its entirety.

4. Except as expressly amended in this Second Amendment, all other terms and conditions of the Sublease shall remain in full force and effect.

Sublandlord and Subtenant have executed this Second Amendment in triplicate as of the date first written above.

SUBTENANT:
Kidango Incorporated,
a California Corporation

By: _____
Its: _____

SUBLANDLORD:
Treasure Island Development Authority

By: _____
Its: Director of Island Operations

Approved as to Form:

DENNIS J. HERRERA,
City Attorney

By_____
Deputy City Attorney

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kidango

Educating Children,
Inspiring Our Future



Via Fax
(415) 274-0299

Marc McDonald
Office of City Administrator
City and County of San Francisco
410 Avenue of the Palms
Treasure Island
San Francisco, CA. 94130

November 30, 2006

Re: Extending term of Sublease between Kidango and Treasure Island Development Authority

Dear Mr. McDonald,

Please accept this letter as Kidangos request to extend our Sublease agreement with the Treasure Island Development Authority. As per our Sublease dated April 10, 2002, section 3 Term, 3.2 we are requesting to exercise our option to extend our sublease for an additional one year period.

Sincerely,

Kate Breitzman
Director of Facilities
(510) 744-9280 x 14
kbreitzman@kidango.org

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AGENDA ITEM 8 (e)
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: Resolution Authorizing The Director of Island Operations To Execute the Third Amendment to the Sublease with The Treasure Island Sailing Center to Retroactively Extend the Term for the Use of Pier 11, Pier 12 and Adjacent Areas on a month-to-month basis through November 30, 2007 and to Retroactively Assess Rental Fees (*Action Item*)

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND

On March 1, 1999, the Treasure Island Sailing Center ("TISC") was issued a six-month permit to hold sailing trials for the US Team for the Sydney Olympics and to provide sailing lessons for Delancey Street's Life Learning Academy students. On August 18, 1999, the Treasure Island Development Authority Board of Directors (the "Authority Board) authorized a three (3) month extension to the permit to complete coordination of sharing the marina facilities with Treasure Island Enterprises. On November 10, 1999, the Authority Board retroactively authorized a Sublease (the "1999 Sublease") for a term of two years at a monthly rental fee of $2,500 plus CAM and utilities. The initial term of the Sublease began on November 1, 1999 and expired on October 31, 2001. The Subtenant was also provided a rental credit of $60,000 for making certain building code related improvements to the facility. According to the Sublease, maximum rental credits for any month could not exceed $2,500.

On December 12, 2001, the Authority Board directed staff to enter into a two year extension of the term of the 1999 Sublease and voted unanimously that the premises would be made available on a no cost basis to reflect that the mission of TISC had changed from training activities for the Sydney Olympics to sailing instruction and youth sailing activities. Project staff noted in the Staff Report to the Authority Board regarding the extension that as of the date of the extension, the dollar value of the improvements that could be used for rental credits had not reached the $60,000 threshold; and, if the Authority Board approved the extension, project staff would carry forward the then outstanding balance due for consideration of rental credit treatment. On December 12, 2001 the outstanding base rent plus additional charges due was $171,548.47. In lieu of amending the 1999 Sublease in accordance with the Board's authorization, the parties executed a new Sublease, dated as December 12, 2001 (the "Sublease") reflecting terms and conditions approved by the Board, including the requirement that utilities, CAM, maintenance, insurance and taxes would remain the responsibility of the Subtenant. A description of the actual amount that would be eligible for rental credit treatment was not included in the terms of the Sublease. The term of the Sublease expired on December 1, 2003.

On February 11, 2004, the Authority Board authorized a First Amendment to the Sublease. This amendment increased the paved area by approximately 27,750 square feet and extended the term to December 31, 2005, under the same terms and conditions.

In March of 2004, project staff prepared an analysis of outstanding rent obligations eligible for rental credit treatment based on information submitted by the subtenant. According to that analysis, accrued late fees and penalties for delinquent rental obligations dating back to November 10, 1999 were waived on the basis that "the Authority should not be accruing late fees and interest charges on leases that are based on tenant improvements." As a result, project staff recalculated the outstanding rent, reducing the outstanding balance due to $64,093.38, effective March 1, 2004.

On April 8, 2004, project staff informed TISC that sufficient tenant improvement work had been completed to offset outstanding rental obligations up to $60,000. The $4,093.38 difference between the amount eligible for rental credit treatment and the amount outstanding was $3,499.96 which consisted of one and one-half months of base rent due as a result of a delay in approval of the commencement date of the Sublease to December 12, 2001, plus $593.42 for outstanding CAM. Project staff informed TISC that in light of the fact that the Subtenant had expended over $185,000 in capital expenditures in improvements to the premises, "the Authority believes this more than offsets the $3,499.96 in rent that is a product of unclear circumstances." Project staff subsequently waived outstanding interest and penalties as well as the outstanding rental obligation without approval of the Authority Board. Staff then demanded payment of $593.42 for outstanding CAM charges. The outstanding CAM payment was made in April of 2004.

On February 22, 2006, the Authority Board authorized the Second Amendment to the Sublease to retroactively extend the term of the Sublease to December 31, 2006, under the same terms and conditions.

The Premises include approximately 15,000 square feet of surface area with two small wood framed structures (commonly referred as Buildings 12 A and 12 B), approximately 2,500 square feet of water surface adjacent to Pier 12 and approximately 15,000 of paved surface located to the north of and immediately adjacent to Pier 12. Facilities include a hoist to pull boats out of the water as well as several boat racks that hold over one hundred small sailboats.

While permitted uses include limited dry boat storage to support the operation and activities of the sailing center and shared use of the facility with Treasure Isle Marina for launching boats, the primary mission of TISC is to provide sailing instruction to youth, with a particular emphasis on underprivileged San Francisco youth.

In the summer of 2006, more than 200 kids participated in the opportunity to learn how to sail. Some of the organizations participating in the sail instruction program include the Columbia Boys and Girls Club, the Life Learning Academy, Treasure Island Homeless Development Initiative (TIHDI) member organizations, the YMCA, the San Francisco Recreation and Park Summer Sail Program, and the Girl Scouts of America. In addition to the sail instruction programs, the Sailing Center has been the host site for a variety of national events such as the

NCAA Sailing for the Cal Berkeley Sail Team and many of the Pacific Coast Collegiate Regattas.

Staff and TISC have had discussions regarding the free rent arrangement. In response to these conversations, TISC has offered to pay a modest rental fee of Fifty Dollars ($50.00) per month for the term of the extension. They plan to engage in more aggressive programming and fundraising efforts over the course of calendar year 2007. TISC anticipates these efforts will yield a profit and the potential for an increase in rental payments to the Authority.

The proposed amendment would extend the term on a month-to-month basis through November 30, 2007, and increase rent from $0.00 to $50.00 per month. All other terms and conditions, including assessment of a monthly CAM charge of $100.00, would continue unchanged. TISC will continue to be responsible for payment of all utilities.

MARKET RATE COMPARABLES/ PUBLIC BENEFIT PROVIDED BY TENANT

A survey of Bay Area marina facilities revealed little information on comparable space. Similar services are provided at the Berkeley Marina by Pegasus Project and the Cal Sailing Club (not affiliated with the University of California). As qualified non-profits they are provided a boat slip at no cost. The Berkeley Sea Scouts, who are not a qualified non-profit, are charged a standard boat slip fee of $500 per month.

TISC provides a significant benefit to underprivileged San Francisco and Bay Area youth by providing them an introduction to sailing. This activity serves the goals of the Authority and the public interests of the City.

STANDING AS A TENANT

Treasure Island Sailing Center is current in CAM charges as of January 31, 2007. The Subtenant's Security Deposit is adequate. The Use is consistent with the terms of the Sublease. The Subtenant's Insurance complies with the requirements described in the Sublease.

RECOMMENDATION

Staff recommends approval of the amendment to the month-to-month sublease with the Treasure Island Sailing Center to extend the term of the Sublease through November 30, 2007, to increase the rent to Fifty Dollars ($50.00) a month and to retain unchanged all other terms and conditions.

EXHIBITS:

A. Third Amendment to Sublease Between Treasure Island Sailing Center and Treasure Island Development Authority.

B. Exhibit of Premises.

Prepared by Marc McDonald, Facilities Manager
For Mirian Saez, Director of Island Operations

[Retroactively Amending the Sublease with Treasure Island Sailing Center to extend the term and to increase rent.]

Resolution Authorizing The Director of Island Operations To Amend the Month-To-Month Sublease With The Treasure Island Sailing Center at Pier 11, Pier 12 and Adjacent Areas to Extend the Term Retroactively on a month-to-month basis through November 30, 2007 and to Increase Rent to Fifty Dollars per Month.

WHEREAS, On May 2, 1997, the Board of Supervisors (the "Board") passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997 (the "Act"), which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968, the California legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the Base which are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, The Tidelands Trust prohibits the sale of trust property into private ownership, generally requires that Tidelands Trust property be accessible to the public and

encourages public-oriented uses of trust property that, among other things, attract people to the waterfront, promote public recreation, protect habitat and preserve open space; and,

WHEREAS, In order to facilitate productive reuse of the Base, it may be beneficial for the Authority to lease or license property from the Navy and, in turn, sublease or sublicense such property to third parties or use such property for municipal purposes; and,

WHEREAS, On March 1, 1999, the Treasure Island Sailing Center ("TISC") was issued a six-month permit to hold sailing trials for the US Team for the Sydney Olympics and to provide sailing lessons for Delancey Street's Life Learning Academy students on a portion of the Base commonly known as Pier 11 and Pier 12, consisting of 30,000 square feet and approximately 2,500 square feet of water surface area located at Piers 11 and 12; and,

WHEREAS, On August 18, 1999, the Authority's Board of Directors authorized a 3 month extension to the permit to complete coordination of sharing the Marina facilities with Treasure Island Enterprises; and,

WHEREAS, On November 10, 1999, the Authority retroactively authorized a Sublease with TISC for a term of two years that commenced on November 1, 1999 and expired on December 1, 2001, at a monthly rental fee of $2,500, subject to a tenant improvement rental credit allowance of $60,000 available over a 24 month period at an amount not to exceed $2,500 per month, plus an additional obligation to pay CAM and utilities which amounts could not be offset by the rental credit allowance; and,

WHEREAS, On December 12, 2001, the Board authorized a two year extension of the term of the Sublease through December 1, 2003, and voted unanimously that the premises would be made available on a no cost basis to reflect that the mission of TISC had changed from training activities for the Sydney Olympics to sailing instruction and youth sailing

activities, and that utilities, CAM, maintenance, insurance and taxes would remain the responsibility of the Subtenant; and,

WHEREAS, In lieu of amending the 1999 Sublease in accordance with the Board's authorization, the parties executed a new Sublease, dated as December 12, 2001 (the "Sublease"), reflecting the terms and conditions authorized by the Board on December 12, 2001; and,

WHEREAS, On February 11, 2004, the Board authorized a First Amendment to the Sublease to increase the paved area by approximately 27,750 square feet and to extend the term to December 31, 2005, under the same terms and conditions; and,

WHEREAS, On April 8, 2004, the Executive Director acknowledged that the Subtenant had completed sufficient tenant improvement work to satisfy its outstanding obligations eligible for rental credit treatment, pending a payment of $593.42 for outstanding CAM charges and this payment was made in April of 2004; and,

WHEREAS, On December 31, 2005, the Sublease expired and continued on a month-to-month basis without objection of the Authority, and on February 22, 2006, the Authority's Board of Directors adopted Resolution No. 06-10-02/22 authorizing a Second Amendment to the Sublease to retroactively extend the term of the Sublease on the same terms and conditions to December 31, 2006; and,

WHEREAS, Subtenant wishes to extend the term of the Sublease under the same terms and conditions except that Subtenant has offered to pay rent of Fifty Dollars ($50.00) per month for the premises; and,

WHEREAS, The Subtenant provides significant benefits to the Authority and the residents of the City by providing disadvantaged youth from Treasure Island and the City of San Francisco lessons in sailing at no cost; **NOW, THEREFORE BE IT,**

RESOLVED, That the Board of Directors hereby finds that extending the term of the Sublease will serve the goals of the Authority and the public interest of the City and that the terms and conditions of the Third Amendment to the Sublease are commercially reasonable under the circumstances; **AND BE IT**

FURTHER RESOLVED, That the Board of Directors hereby approves and authorizes the Director of Island Operations to enter into a Third Amendment to the Sublease with the Treasure Island Sailing Center in substantially the form attached hereto as Exhibit A, to retroactively extend the Sublease on a month-to-month basis through November 30, 2007, and increase the base rent to $50 per month, provided that nothing herein shall limit the Authority's ability to terminate the Sublease on thirty days notice as provided in the Sublease.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors at a properly noticed meeting on February 14, 2007.

_____

John Elberling, Secretary

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THIRD AMENDMENT TO SUBLEASE

Between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY
As Sublandlord

And

TREASURE ISLAND SAILING CENTER FOUNDATION

As Subtenant

For the Sublease of

Piers 11 and 12 and other space at
Former Naval Station Treasure Island
San Francisco, California

THIRD AMENDMENT TO SUBLEASE

THIS THIRD AMENDMENT TO SUBLEASE (the "Third Amendment"), dated as of January 1, 2007, is by and between the Treasure Island Development Authority ("Sublandlord") and the Treasure Island Sailing Center Foundation, a California non-profit public benefit corporation ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Third Amendment is made with reference to the following facts and circumstances:

A. On March 1, 1999, Subtenant was issued a six-month permit to hold sailing trials for the US Team for the Sydney Olympics and to provide sailing lessons for Delancey Street's Life Learning Academy students. The Premises described in the Permit was the property commonly known as Pier 11 and Pier 12 consisting of 30,000 square feet and approximately 2,500 square feet of water surface area located at Piers 11 and 12.

B. On August 18, 1999, Sublandlord's Board of Directors (the "Board) authorized a 3 month extension to the permit to complete coordination of sharing the Marina facilities with Treasure Island Enterprises.

C. On November 10, 1999, the Board retroactively authorized a Sublease (the "1999 Sublease") for a term of two years at a monthly rental fee of $2,500, subject to a tenant improvement rental credit allowance of $60,000, plus an additional obligation to pay CAM and utilities which amounts could not be offset by the rental credit allowance. The term of the 1999 Sublease began on November 1, 1999 and expired on October 31, 2001.

D. On December 12, 2001, the Board authorized a two year extension of the term of the 1999 Sublease and voted unanimously that the premises would be made available on a no cost basis to reflect that the mission of Subtenant had changed from training activities for the Sydney Olympics to sailing instruction and youth sailing activities. Utilities, CAM, maintenance, insurance and taxes would remain the responsibility of the Subtenant. In lieu of amending the 1999 Sublease in accordance with the Board's authorization, the parties executed a new Sublease, dated as December 12, 2001 (the "Sublease"). The term of the Sublease expired on December 1, 2003.

E. On February 11, 2004, the Board authorized a First Amendment to the Sublease to increase the paved area by approximately 27,750 square feet and to further extend the term to December 31, 2005, under the same terms and conditions.

F. On April 8, 2004, the Executive Director acknowledged that the Subtenant had completed sufficient tenant improvement work to satisfy its outstanding obligations eligible for rental credit treatment.

G. On December 31, 2005, the Sublease expired and continued on a month-to-month basis without objection of the Sublandlord, and on February 22, 2006, the Board of Directors of Sublandlord adopted Resolution No. 06-10-02/22 authorizing a Second Amendment to the Sublease to retroactively extend the term of the Sublease on the same terms and conditions to December 31, 2006.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. Paragraph 3.1 of the Sublease is hereby amended to read as follows:

"**Term of Sublease**. The term of this Sublease (the "Term") commenced on November 1, 1999 and shall continue on a month-to-month basis through November 30, 2007. Either Party may, in its sole discretion, terminate this Sublease by giving thirty (30) days prior written notice to the other Party."

2. Paragraph 4.1 of the Sublease is hereby amended to read as follows:

"**Base Rent.** Effective as of January 1, 2007, Subtenant shall pay to Sublandlord base rent in the amount of Fifty Dollars ($50.00) per month (the "Base Rent"). Base Rent shall be paid to Sublandlord without prior demand and without any deduction, setoff, or counterclaim whatsoever. Subtenant shall pay Base Rent for the months of January and February 2007 upon Subtenant's execution of this Third Amendment. Base Rent for the remainder of the Term shall be payable on or before the first day of each month, in advance, at the Notice Address of Sublandlord provided in Section 20.1 hereof or such other place as Sublandlord may designate in writing. If the Commencement Date occurs on a date other than the first day of a calendar month, or the Sublease terminates on a day other than the last day of a calendar month, then the monthly payment of Base Rent for such fractional month shall be prorated based on a thirty (30) day month."

3. Paragraph 4.2 of the Sublease is hereby deleted in its entirety.

Except as expressly stated in this Third Amendment, all other terms and conditions of the Sublease shall remain in full force and effect.

Sublandlord and Subtenant have executed this Third Amendment in triplicate as of the date first written above.

"SUBTENANT"

TREASURE ISLAND SAILING CENTER FOUNDATION

By:_____
Its: _____

"SUBLANDLORD"

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

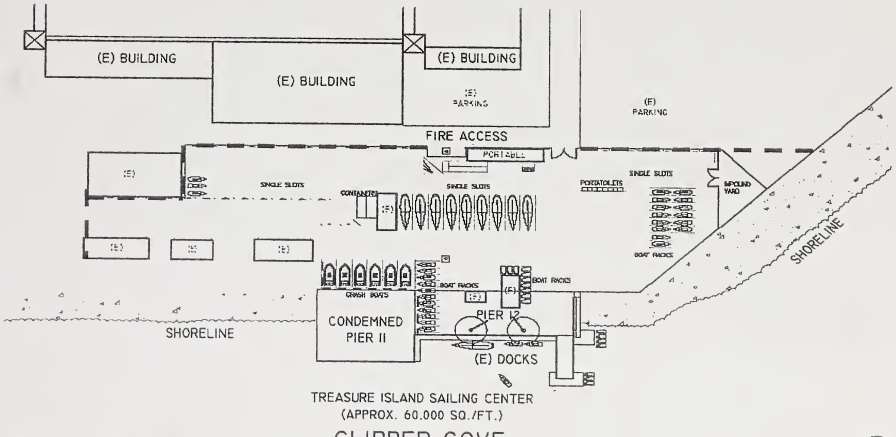
By:_____
Mirian Saez, Director of Island Operations

Approved as to Form:
DENNIS J. HERRERA
City Attorney

_____
Deputy City Attorney

AVERY

Sailing Center Premises



TREASURE ISLAND SAILING CENTER
NELSEN Architecture Planning Interior Design

PROPOSED INTERIM EXPANSION

SITE PLAN INT-02

AGENDA ITEM #8 (f)
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: **Resolution Approving and Authorizing a Use Permit and a Waiver of Standard Rental Fees with the San Francisco Little League (SFLL) for the use of the Sports Field (*Action Item*)**

Contact: Mirian Saez, Director of Island Operations
Phone: 415-274-0660

BACKGROUND

San Francisco Little League (SFLL) is a non-profit, 100% volunteer organization, dedicated to providing a positive developmental experience for children in San Francisco through the sport of baseball and softball. SFLL serves approximately 1,800 San Francisco boys and girls, between the ages of 6 and 18, and accounts for about 23% of the baseball and softball playing youth in the City. Players come from all neighborhoods of San Francisco, with over 150 schools and all major zip codes represented in last season's player base.

In 2004, SFLL performed a major renovation to the baseball diamond located on the Sports Field. The renovation included field infrastructure work, fencing installation, landscaping services, irrigation supplies, and the installation of turf and a pitcher's mound. SFLL estimated that $61,273 was spent to overhaul and transform the diamond and outfield area. SFLL has since provided the ongoing maintenance of the field, including weed control, fertilization, aeration, and regular inspections.

Section 8 of the Use Permit requires that SFLL shall maintain the Sports Field in a condition that is safe and suitable for baseball games played by children in the age range of 5 to 13 years old. As part of SFLL's maintenance obligation under this provision, SFLL shall, (i) maintain the field areas of the Premises on a regular basis as needed to keep the area in a condition suitable for playing baseball, (ii) drag the entire area of the infield portion of the Premises as needed to keep the infield in playable condition, (iii) keep the Premises clean and free of garbage, trash, or other debris, and (iv) prior to each baseball game or practice session, inspect the condition of the Premises and any improvements, equipment, or other personal property on the Premises, promptly report any damaged, defective, or unsafe conditions on or about the Premises to TIDA, and post warning signs or take other reasonable measures to warn persons entering the Premises of any unsafe conditions discovered by SFLL during such inspections.

MARKET RATE COMPARABLES/ PUBLIC BENEFIT PROVIDED BY PERMITTEE

The Treasure Island Development Authority (TIDA) manages an all-purpose Sports Field on Treasure Island which includes a baseball diamond. The Sports Field is available for rent by the public at a competitive rate which was established as a result of market surveys conducted by staff. The current

event venue rental fee is $25 per hour. In addition to the rental fee, users are required to provide General Liability Insurance coverage fulfilling all specifications set forth in the Use Permit.

While SFLL manages and controls use of two other fields on the Island leased to it directly, the Sports Field is managed by the TIDA project office. Use Permits are issued for use of the venue to many regular users, including: rugby, soccer, and adult softball, kickball, and frisbee leagues. The Field is also used informally by residents when not being rented for other purposes. Thus, the benefits from SFLL's continued upkeep and maintenance of the Sports Field are received not only by the members of the SFLL, but also by a variety of other sporting teams, Island residents, and the general public.

SFLL is requesting the use of the Sports Field, with waiver of fees, to host practices and games, from January 21, 2007, through June 30, 2007. The relationship between SFLL and the Treasure Island Development Authority has proven to be mutually beneficial. In exchange for having developed and continually maintaining this Sports Field's baseball diamond and outfield, which have proven to be valuable assets to the public and residents of Treasure Island, SFLL seeks the right to use the field at no charge.

STANDING AS A TENANT/CONTRACTOR

SFLL has submitted General Liability Insurance coverage that fulfills the obligations set forth in Section 14 of the Use Permit, and all certificates have been approved by the Risk Manager.

SFLL is in good standing with TIDA and has met its obligations under the current Sublease for use of the Little League Field.

RECOMMENDATION

Providing use of the Sports Field as a recreational facility for the citizens of San Francisco and Treasure Island is a substantial public benefit that satisfies one of the Authority's primary objectives during this period of interim management of former Naval Station Treasure Island. SFLL has developed and maintained the Sports Field and continues to meet its commitment to maintain the Sports Field for all users throughout the year.

Staff recommends approval from the Authority to authorize the Director of Island Operations to execute a Use Permit, including waiver of standard rental fees, with the San Francisco Little League, for the use of the Sports Field from January 21, 2007, through June 30, 2007.

EXHIBITS

Exhibit A:

Use Permit between TIDA and San Francisco Little League for use of the Sports Field.

Prepared by: Lori Mazzola
For Mirian Saez, Director of Island Operations

[Use Permit with San Francisco Little League for Sports Field]

Resolution Approving and Authorizing a Use Permit and a Waiver of Standard Rental Fees with the San Francisco Little League (SFLL) for the use of the Sports Field

WHEREAS, On May 2, 1997, the Board of Supervisors (the "Board") passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the Base which are subject to the Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

WHEREAS, The Tidelands Trust prohibits the sale of trust property into private ownership, generally requires that Tidelands Trust property be accessible to the public and encourages public-oriented uses of trust property that, among other things, attract people to the waterfront, promote public recreation, protect habitat and preserve open space; and,

WHEREAS, In order to facilitate productive reuse and job creation on the Base, it may be beneficial for the Authority to lease or license property from the Navy and, in turn, sublease or sublicense such property to third-parties or use such property for municipal purposes; and,

WHEREAS, In 2004, SFLL spent an estimated $61,273 to overhaul and transform the diamond and outfield area in the Sports Field for a full renovation, which included field

infrastructure work, fencing installation, landscaping services, irrigation supplies, and the installation of turf and a pitcher's mound; and,

WHEREAS, SFLL has since provided the ongoing maintenance of the field, including weed control, fertilization, aeration, and regular inspections; and,

WHEREAS, The SFLL seeks a Use Permit for use of the Sports Field, from January 21, 2007, through June 30, 2007; and,

WHEREAS, SFLL provides significant benefits to the Authority and the City by improving, maintaining and managing a significant recreational facility for the benefit of youth, the residents of Treasure Island, the City, and County of San Francisco; and,

WHEREAS, SFLL has acted in good faith to meet the obligations set forth in the Use Permit for maintenance of the Premises and other leases it has with the Authority; now therefore be it

RESOLVED, That the Board of Directors hereby approves and authorizes the Director of Island Operations to execute a Use Permit and a Waiver of Standard Rental Fees with the San Francisco Little League for use of the Sports Field for the term of January 21, 2007, through June 30, 2007.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on February 14, 2007.

_____

John Elberling, Secretary

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USE PERMIT

This Use Permit (this "Permit") dated for reference only as January 17, 2007 is made by and between the Treasure Island Development Authority ("Authority") and the San Francisco Little League, a 501(c)(3) corporation. ("Permittee").

RECITALS

WHEREAS, pursuant to that certain Lease between the United States of America and Treasure Island Development Authority for Event Venues Naval Station Treasure Island, (the "Master Lease"), by and between the Authority and the Department of Navy (the "Navy"), a copy of which is attached hereto as Exhibit A, the Authority has the right to use that certain property located on Naval Station Treasure Island commonly known as the Sports Field, and portions of the parking areas adjacent thereto, all as more particularly shown on Exhibit B hereto (the "Premises"); and

WHEREAS, the Permittee has invested time, money, and energy into developing and maintaining a baseball diamond on a portion of the Sports Field, and Permittee seeks to use baseball diamond portion of the Sports Field for the purposes stated herein, subject to the terms and conditions of this Permit.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, Authority and Permittee agree as follows:

1. License. Authority confers to Permittee a revocable, personal, non-exclusive and non-possessory privilege to enter upon and use the the portion of the Sports Field improved as a baseball diamond shown as the cross-hatched area in the map attached hereto as Exhibit B ("Premises") for the limited purpose and subject to the terms, conditions and restrictions set forth below. The privilege given to Permittee under this Permit is effective only insofar as the rights of Authority in the Premises are concerned, and Permittee shall obtain any further permission necessary because of any other existing rights affecting the Premises, or any portion thereof.

2. Inspection of Premises. Permittee represents and warrants that Permittee has conducted a thorough and diligent inspection and investigation, either independently or through its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns, and each of them, ("Permittee's Agents") of the Premises and the suitability of the Premises for Permittee's intended use. Permittee is fully aware of the needs of its operations and has determined, based solely on its own investigation, that the Premises are suitable for its operations and intended uses.

3. As Is; Disclaimer of Representations. Permittee acknowledges and agrees that the Premises are being permitted and accepted in their "AS IS, WITH ALL FAULTS" condition, without representation or warranty of any kind, and subject to all applicable laws, statutes, ordinances, resolutions, regulations, proclamations, orders or decrees of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over the Premises, or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties ("Laws") governing the use, occupancy, management, operation and possession of the Premises. Without limiting the foregoing, this Permit is made subject to any and all covenants, conditions, restrictions, easements and other title matters affecting the Premises, or any portion thereof, whether or not of record. Permittee acknowledges and agrees that neither Authority nor any of its officers, directors, employees,

agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns ("Authority's Agents") have made, and Authority hereby disclaims, any representations or warranties, express or implied, concerning (i) title or survey matters affecting the Premises, (ii) the physical, geological, seismological or environmental condition of the Premises, (iii) the quality, nature or adequacy of any utilities serving the Premises, (iv) the feasibility, cost or legality of constructing any Alterations on the Premises if required for Permittee's use and permitted under this Permit, (v) the safety of the Premises, whether for the use of Permittee or any other person, including Permittee's Agents or Permittee's clients, customers, vendors, invitees, guests, members, licensees, assignees or permittees ("Permittee's Invitees"), or (vi) any other matter whatsoever relating to the Premises or their use, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

4. Seismic Report and Structural Report. Without limiting Section 3 above, Permittee expressly acknowledges for itself and Permittee's Agents that it received and read that certain report dated August 1995, entitled "*Treasure Island Reuse Plan: Physical Characteristics, Building and Infrastructure Conditions,*" prepared for the Office of Military Base Conversion, Department of City Planning, and the Redevelopment Agency of the City and County of San Francisco, (the "Seismic Report"), a copy of the cover page of which is attached hereto as Exhibit C. Permittee has had an adequate opportunity to review the Seismic Report with expert consultants of its own choosing.

5. Use of Premises. Permittee may enter and use the Premises during those days and hours shown on Exhibit D, attached, which occur within the Term of this Permit as set forth in Section 10 below for the sole purpose of (i) conducting organized baseball games between teams who are members of the San Francisco Little League and (ii) maintaining the Premises as set forth in Section 8 below, and for no other purpose.

6. Restrictions on Use. Permittee agrees that, by way of example only and without limitation, the following uses of the Premises by Permittee, or any other person claiming by or through Permittee, are inconsistent with the limited purpose of this Permit and are strictly prohibited as provided below:

(a) Hazardous Material. Permittee shall not cause, nor shall Permittee allow any of its Agents or Invitees (as such terms are defined below) to cause, any Hazardous Material (as defined below) to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises, or transported to or from the Premises without the prior written consent of Authority. Permittee shall immediately notify Authority when Permittee learns of, or has reason to believe that, a release of Hazardous Material has occurred in, on or about the Premises. Permittee shall further comply with all laws requiring notice of such releases or threatened releases to governmental agencies, and shall take all action necessary to mitigate the release or minimize the spread of contamination. In the event that Permittee or its Agents or Invitees cause a release of Hazardous Material, Permittee shall, without cost to Authority and in accordance with all laws and regulations, return the Premises to the condition immediately prior to the release. In connection therewith, Permittee shall afford Authority a full opportunity to participate in any discussion with governmental agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree or other compromise proceeding involving Hazardous Material. For purposes hereof, "**Hazardous Material**" means material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to public health, welfare or the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and

Liability Act of 1980, as amended, 42 U.S.C. Sections 9601 et seq., or pursuant to Section 25316 of the California Health & Safety Code; a "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the Premises or are naturally occurring substances in the Premises, and any petroleum, including, without limitation, crude oil or any fraction thereof, natural gas or natural gas liquids. The term "**release**" or "**threatened release**" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the Premises.

(b) Nuisances. Permittee shall not conduct any activities on or about the Premises that constitute waste, nuisance or unreasonable annoyance (including, without limitation, emission of objectionable odors, noises or lights) to Authority, to the owners or occupants of neighboring property or to the public.

(c) Damage. Permittee shall not do anything about the Premises that could cause damage to the Premises or any Authority property.

7. Alterations. Except as otherwise expressly provided herein, Permittee shall not construct or place any temporary or permanent structures or improvements in, on, under or about the Premises, nor shall Permittee make any alterations or additions to any of existing structures or improvements on the Premises, unless Permittee first obtains Authority's prior written consent, which Authority may give or withhold in its sole and absolute discretion.

8. Maintenance. As additional consideration for this Permit, Permittee shall maintain the Premises in a condition that is safe and suitable for baseball games played by children in the age range of 5 to 13 years old. As part of Permittee's maintenance obligation hereunder, Permittee shall, all to the reasonable satisfaction of Authority, (i) maintain the field areas of the Premises on a regular basis as needed to keep the area in a condition suitable for playing baseball, (ii) drag the entire area of the infield portion of the Premises as needed to keep the infield in playable condition, (iii) keep the Premises clean and free of garbage, trash, or other debris, and (iv) prior to each baseball game or practice session, inspect the condition of the Premises and any improvements, equipment, or other personal property on the Premises, promptly report any damaged, defective, or unsafe conditions on or about the Premises to the Authority, and post warning signs or take other reasonable measures to warn persons entering the Premises of any unsafe conditions discovered by Permittee during such inspections.

9. Permit Fees. In consideration of the time, money, and energy spent by Permittee in improving and maintaining the Sports Field and baseball diamond, the permit fees are hereby waived.

10. Term of Permit. The privilege conferred to Permittee pursuant to this Permit shall commence on January 21, 2007 and shall terminate on June 30, 2007, unless extended in writing by the Authority. Moreover, if the Master Lease terminates for any reason whatsoever, this Permit shall automatically terminate.

11. Compliance with Laws. Permittee shall, at its expense, conduct and cause to be conducted all activities on the Premises allowed hereunder in a safe and reasonable manner and in compliance with all laws, regulations, ordinances and orders of any governmental or other regulatory entity (including, without limitation, the Americans with Disabilities Act) whether presently in effect or subsequently adopted and whether or not in the contemplation of the parties. Permittee shall, at its sole expense, procure and maintain in force at all times during its use of the Premises any and all business and other licenses or approvals necessary to conduct

the activities allowed hereunder. Permittee understands and agrees that Authority is entering into this Permit in its capacity as a property owner with a proprietary interest in the Premises and not as a regulatory agency with police powers. Permittee further understands and agrees that no approval by Authority for purposes of this Permit shall be deemed to constitute approval of any federal, state, Authority or other local regulatory authority with jurisdiction, and nothing herein shall limit Permittee's obligation to obtain all such regulatory approvals at Permittee's sole cost or limit in any way Authority's exercise of its police powers. Without limiting the foregoing, before beginning any work in the Premises, Permittee shall obtain any and all permits, licenses and approvals (collectively, "approvals") of all regulatory agencies and other third parties that are required to commence and complete the permitted work.

12. Security. In addition to the Permit Fee described in Section 8 above, Permittee shall pay Authority for the reasonable costs of incurred by Authority for providing security for the activities provided hereunder or Permittee shall provide such security itself, at Permittee's sole expense and cost.

13. Surrender. Upon the expiration of this Permit, Permittee shall surrender the Premises in the same condition as received, free from hazards and clear of all debris. At such time, Permittee shall remove all of its property from the Premises permitted hereunder, and shall repair, at its cost, any damage to the Premises caused by such removal. Permittee's obligations under this Section shall survive any termination of this Permit.

14. RELEASE AND WAIVER OF CLAIMS; INDEMNIFICATION

14.1. Release and Waiver of Claims. Permittee, on behalf of itself and Permittee's Agents, covenants and agrees that the Authority shall not be responsible for or liable to Permittee for, and, to the fullest extent allowed by any Laws, Permittee hereby waives all rights against the Authority and releases them from, any and all claims, demands, losses, liabilities, damages, liens, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, including, without limitation, reasonable attorneys' and consultants' fees and costs ("Losses"), including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any person or loss or damage to any property, in or about the Premises, from any cause whatsoever, including without limitation, partial or complete collapse of the buildings thereon due to an earthquake or subsidence, except only to the extent such Losses are caused exclusively by the gross negligence or willful misconduct of the Authority (except as provided in Section 14.1(a) below). Without limiting the generality of the foregoing:

(a) Without limiting any other waiver contained herein, Permittee on behalf of itself and its successors and assigns, hereby waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Authority from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way be connected with the Authority's decision to allow Permittee to use the Premises, regardless of whether or not such decision to allow Permittee to use the Premises is or may be determined to be an act of gross negligence or willful misconduct of the Authority.

(b) Permittee covenants and agrees never to file, commence, prosecute or cause to be filed, commenced or prosecuted against the Authority any claim, action or proceeding based upon any claims, demands, causes of action, obligations, damages, losses, costs, expenses or liabilities of any nature whatsoever encompassed by the waivers and releases set forth in this Section 14.1.

(c) In executing these waivers and releases, Permittee has not relied upon any representation or statement other than as expressly set forth herein.

(d) Permittee had made such investigation of the facts pertaining to these waivers and releases it deems necessary and assumes the risk of mistake with respect to such facts. These waivers and releases are intended to be final and binding on Permittee regardless of any claims of mistake.

(e) In connection with the foregoing releases, Permittee acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

14.2. Acknowledgment. Permittee acknowledges that the releases contained herein includes all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Permittee realizes and acknowledges that it has agreed upon this Permit in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The waivers and releases contained herein shall survive any termination of this Permit.

14.3. Permittee's Indemnity. Permittee, on behalf of itself and Permittee's Agents, shall indemnify, protect, defend and hold harmless forever ('Indemnify") the Authority from and against any and all Losses arising out of the use of the Premises by Permittee, Permittee's Agents, or Permittee's Invitees pursuant to this Permit, expressly including but not limited to: (a) any Losses arising out of a partial or complete collapse of any building located on the Premises due to an earthquake or subsidence, incurred in connection with the use of the Premises pursuant to this Permit, (b) any damage to or destruction of any property owned by or in the custody of Permittee or Permittee's Agents or Permittee's Invitees, (c) any accident, injury to or death of a person, including, without limitation, Permittee's Agents and Permittee's Invitees, howsoever or by whomsoever caused, occurring in, on or about the Premises in connection with the use of the Premises pursuant to this Permit, (d) any default by Permittee in the observation or performance of any of the terms, covenants or conditions of this Permit to be observed or performed on Permittee's part; (e) the use, occupancy, conduct or management, or manner of use, occupancy, conduct or management by Permittee, Permittee's Agents or Permittee's Invitees or any person or entity claiming through or under any of them, of the Premises or any Alterations; (f) any construction or other work undertaken by Permittee on or about the Premises whether before or during the Term of this Permit; or (g) any acts, omissions or negligence of Permittee, Permittee's Agents or Permittee's Invitees, or of any trespassers, in, on or about the Premises or any alterations; except to the extent that such Indemnity is void or otherwise unenforceable under any applicable Laws in effect on or validly retroactive to the date of this Permit and further except only to the extent such Losses are caused by the gross negligence and intentional wrongful acts and omissions of the Authority. Notwithstanding the foregoing, Permittee's obligations to indemnify the Authority under this Section 13.3 shall remain in full force and effect regardless of whether or not the Authority's decision to permit the Premises to the Permittee, given the seismic condition of the property, is or may be determined to be an act of gross negligence or willful misconduct of the Authority. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and Authority's costs of investigating any Loss. Permittee specifically acknowledges and agrees that it has an immediate and independent obligation to defend

Authority from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Permittee by Authority and continues at all times thereafter. Permittee's obligations under this Section shall survive the expiration or sooner termination of this Permit. Notwithstanding anything contained herein, to the extent such Losses are not covered by insurance required herein and subject to this Section 13.3, Permittee shall have no obligation to repair, restore or reconstruct the Premises (or to pay for the same) in the event the Premises are damaged or destroyed by an earthquake or subsidence or by any other uninsured casualty.

15. INSURANCE

15.1. Permittee's Insurance. Permittee shall procure and maintain throughout the Term of this Permit and pay the cost thereof the following insurance:

(a) Worker's Compensation, with Employers' Liability Limits not less than $1,000,000 each accident; and

(b) Commercial General Liability Insurance with limits not less than $1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Host Liquor Liability, Personal Injury, Broad Form Property Damage, Products and Completed Operations; and

(c) Automobile liability insurance with limits not less than $1,000,000 each occurrence combined single limit for bodily injury and property damage, including owned and non-owned and hired vehicles, if Permittee uses, or causes to be used, any automobiles in connection with its use of the Premises.

15.2. General Requirements. All insurance provided for under this Permit shall be effected under valid enforceable policies issued by insurers of recognized responsibility and reasonably approved by Authority.

(a) Should any of the required insurance be provided under a claims-made form, Permittee shall maintain such coverage continuously throughout the term hereof and, without lapse, for a period of one (1) year beyond the expiration or termination of this Permit, to the effect that, should occurrences during the Term give rise to claims made after expiration or termination of this Permit, such claims shall be covered by such claims-made policies.

(b) Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit shall double the occurrence or claims limits specified above.

(c) All liability insurance policies shall be endorsed to provide the following:

(i) Cover Permittee as the insured and the City and County of San Francisco, the Treasure Island Development Authority, their officers, agents, and employees as an additional insured.

(ii) That such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Permit, and that insurance applies separately to each insured against whom claim is made or suit is brought. Such policies shall also provide for severability of interests and that an act or omission of one of

the named insureds which would void or otherwise reduce coverage shall not reduce or void the coverage as to any insured, and shall afford coverage for all claims based on acts, omissions, injury or damage which occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period.

15.3. Proof of Insurance. Permittee shall deliver to Authority certificates of insurance in form and with insurers satisfactory to Authority, evidencing the coverages required hereunder, on or before the commencement date of this Permit, together with complete copies of the policies promptly upon Authority's request. In the event Permittee shall fail to procure such insurance, or to deliver such policies or certificates, Authority may, at its option, procure the same for the account of Permittee, and the cost thereof shall be paid to Authority within five (5) days after delivery to Permittee of bills therefor.

15.4. No Limitation on Indemnities. Permittee's compliance with the provisions of this Section shall in no way relieve or decrease Permittee's indemnification obligations herein or any of Permittee's other obligations or liabilities under this Permit.

15.5. Lapse of Insurance. Notwithstanding anything to the contrary in this Permit, Authority may elect in Authority's sole and absolute discretion to terminate this Permit upon the lapse of any required insurance coverage by written notice to Permittee.

15.6. Permittee's Personal Property. Permittee shall be responsible, at its expense, for separately insuring Permittee's Personal Property.

15.7. Waiver of Subrogation. Notwithstanding anything to the contrary contained herein, to the extent permitted by their respective policies of insurance, Authority and Permittee each hereby waive any right of recovery against the other party and against any other party maintaining a policy of insurance covering the Premises and their contents, or any portion thereof, for any loss or damage maintained by such other party with respect to the Premises, or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party. If any policy of insurance relating to the Premises carried by Permittee does not permit the foregoing waiver or if the coverage under any such policy would be invalidated due to such waiver, Permittee shall obtain, if possible, from the insurer under such policy a waiver of all rights of subrogation the insurer might have against Authority or any other party maintaining a policy of insurance covering the same loss, in connection with any claim, loss or damage covered by such policy.

16. No Assignment. This Permit is personal to Permittee and shall not be assigned, conveyed or otherwise transferred by Permittee under any circumstances.

17. MacBride Principles - Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Permittee acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

18. Non-Discrimination. Permittee shall not, in the operation and use of the Premises, discriminate against any person or group of persons solely because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, gender identity, disability or acquired immune deficiency syndrome (AIDS) or AIDS related condition (ARC). The provisions of Chapters 12B and 12C of the San Francisco Administrative Code, relating to nondiscrimination

by parties contracting with the City and County of San Francisco, are incorporated herein by reference and made a part hereof as though fully set forth herein. Permittee agrees to comply with all of the provisions of such Chapters 12B and 12C that apply to parties contracting with the City and County of San Francisco.

19. Tropical Hardwoods and Virgin Redwood. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood product, virgin redwood, or virgin redwood product.

20. No Tobacco Advertising. Permittee acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of the Authority, including the property which is the subject of this Permit. This prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

21. Security Deposit. Not Applicable.

22. Rules and Regulations. In connection with the Permittee's use hereunder, Permittee shall comply with the Rules and Regulations attached hereto as Exhibit E.

23. General Provisions. **(a)** This Permit may be amended or modified only by a writing signed by Authority and Permittee. **(b)** No waiver by any party of any of the provisions of this Permit shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. **(c)** This instrument (including the exhibit(s) hereto) contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. **(d)** The section and other headings of this Permit are for convenience of reference only and shall be disregarded in the interpretation of this Permit. **(e)** Time is of the essence. **(f)** This Permit shall be governed by California law and Authority's Charter. **(g)** If either party commences an action against the other or a dispute arises under this Permit, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Authority shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience. **(h)** If Permittee consists of more than one person then the obligations of each person shall be joint and several. **(i)** Permittee may not record this Permit or any memorandum hereof. **(j)** Subject to the prohibition against assignments or other transfers by Permittee hereunder, this Permit shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns. **(k)** Any sale or conveyance of the property burdened by this Permit by Authority shall automatically revoke this Permit. **(l)** This Permit may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

PERMITTEE:
San Francisco Little League

By: _____

Name:_____

Title:_____

TREASURE ISLAND
DEVELOPMENT AUTHORITY

By: _____
Mirian Saez
Director of Island Operations

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By:_____
Deputy City Attorney

AGENDA ITEM #8 (g)
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: Resolution approving and authorizing the Director of Island Operations to execute a Use Permit, including waiver of standard rental fees, with the Treasure Island Homeless Development Initiative (TIHDI)), for the use of Room 169 in the Administration Building, (the Gallery), for the purpose of hosting *Living Black: Stitching Together Time, Place and Spirit*, a month-long art exhibit in honor of Black History Month (*Action Item*)

Contact: Mirian Saez, Director of Island Operations
Phone: 415-274-0660

BACKGROUND

TIHDI is a collaborative of 20 community agencies that serves the formerly homeless by assisting with housing, employment, and economic development opportunities. TIHDI provides services for residents and initiates community-building efforts to benefit its members.

TIHDI is requesting use of the Gallery, from February 1, 2007 through February 28, 2007, to host *Living Black: Stitching Together Time, Place and Spirit*, a month-long art exhibit in honor of Black History Month. This exhibit of African American art would include an opening reception on February 8, 2007, from 5:30PM to 8:00PM. The exhibit itself would be free and open the public during normal business hours, 9:00AM to 5:00PM, throughout the month.

MARKET RATE COMPARABLES/ PUBLIC BENEFIT PROVIDED BY PERMITTEE

The Gallery is a newly remodeled room located adjacent to the lobby in the Administration Building. The Gallery is approximately 1,320 square feet and has the potential to be used for the purpose of public art installations. Project staff is in the process of researching comparable spaces in the market to establish appropriate rates for this venue.

TIHDI expects its use of the Gallery to serve not only as an artistic and educational benefit for Island residents, but to also provide the Treasure Island and Yerba Buena Island community with a festive celebration of Black History Month.

STANDING AS A TENANT/CONTRACTOR

TIHDI has submitted General Liability Insurance coverage which is currently awaiting approval by the Risk Manager.

RECOMMENDATION

Staff recommends approval from the Authority to authorize the Director of Island Operations to execute a Use Permit, including waiver of standard rental fees, with the Treasure Island Homeless Development Initiative (TIHDI), for the use of Room 169 in the Administration Building, for the purpose of hosting *Living Black: Stitching Together Time, Place and Spirit*, a month-long art exhibit in honor of Black History Month.

EXHIBITS

Exhibit A:

Use Permit between TIDA and TIHDI for use of Room 169 in the Administration Building, from February 1, 2007 through February 28, 2007

Prepared by: Lori Mazzola
For Mirian Saez, Director of Island Operations

[Use Permit with Treasure Island Homeless Development Initiative for Room 169 in the Administration Building, (the "Gallery")]

Resolution Approving and Authorizing the Director of Island Operations to Execute a Use Permit, Including Waiver of Standard Rental Fees, with the Treasure Island Homeless Development Initiative (TIHDI)), for the Use of Room 169 in the Administration Building, (the Gallery), for the Purpose of Hosting *Living Black: Stitching Together Time, Place and Spirit*, a Month-Long Art Exhibit in Honor of Black History Month.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America ("the Federal Government"); and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under the California Redevelopment Law with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

WHEREAS, The Treasure Island Homeless Development Initiative is hosting an art exhibit in honor of Black History Month, from February 1, 2007 to February 29, 2007, as well as an opening reception, from 5:30PM to 8:30PM, on February 8, 2007, with the intent that the exhibit serve to provide an educational and festive celebration of Black History Month for Island residents and the general public; and,

WHEREAS, The *Living Black: Stitching Together Time, Place, and Spirit Exhibit* will be installed in Room 169, adjacent to the lobby of the Treasure Island Administration Building, commonly known as the Gallery; and,

WHEREAS, The Treasure Island Homeless Development Initiative has agreed to enter into a Use Permit with the Authority for the Gallery space in the Administration Building in order to assure proper permitting and insurance coverage of the event; and,

WHEREAS, In consideration of the community benefit this event will provide, the Treasure Island Homeless Development Initiative is requesting that the Authority waive any rental fees associated with the use of the Gallery; now therefore be it

RESOLVED, That the Authority hereby finds and determines that the *Living Black: Stitching Together Time, Place, and Spirit Exhibit* would provide a public benefit to the Treasure Island community and the City and County of San Francisco and therefore serves a public purpose; and,

FURTHER RESOLVED, That the Authority hereby authorizes the Director of Island Operations to execute a Use Permit, including waiver of standard rental fees, with the Treasure Island Homeless Development Initiative (TIHDI), for the use of Room 169 in the Administration Building for the purpose of hosting an art exhibit in honor of Black History Month.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at the Properly noticed meeting on February 14, 2007.

_____

John Elberling, Secretary

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USE PERMIT

This Use Permit (this "Permit") dated for reference only as January 30, 2007 is made by and between the Treasure Island Development Authority ("Authority") and the Treasure Island Homeless Development Initiative ("Permittee").

RECITALS

WHEREAS, pursuant to that certain Lease between the United States of America and Treasure Island Development Authority for the South Waterfront Area Naval Station Treasure Island, (the "Master Lease"), by and between the Authority and the Department of Navy (the "Navy"), a copy of which is attached hereto as Exhibit A, the Authority has the right to use that certain property located on Naval Station Treasure Island commonly known as Room 169 in Building 1 and portions of the parking areas adjacent thereto, all as more particularly shown on Exhibit B hereto (the "Premises"); and

WHEREAS, Permittee seeks to use the Premises for the purposes stated herein, subject to the terms and conditions of this Permit.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, Authority and Permittee agree as follows:

1. License. Authority confers to Permittee a revocable, personal, non-exclusive and non-possessory privilege to enter upon and use the Premises for the limited purpose and subject to the terms, conditions and restrictions set forth below. The privilege given to Permittee under this Permit is effective only insofar as the rights of Authority in the Premises are concerned, and Permittee shall obtain any further permission necessary because of any other existing rights affecting the Premises, or any portion thereof.

2. Inspection of Premises. Permittee represents and warrants that Permittee has conducted a thorough and diligent inspection and investigation, either independently or through its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors , and their respective heirs, legal representatives, successors and assigns, and each of them, ("Permittee's Agents") of the Premises and the suitability of the Premises for Permittee's intended use. Permittee is fully aware of the needs of its operations and has determined, based solely on its own investigation, that the Premises are suitable for its operations and intended uses.

3. As Is; Disclaimer of Representations. Permittee acknowledges and agrees that the Premises are being permitted and accepted in their "AS IS, WITH ALL FAULTS" condition, without representation or warranty of any kind, and subject to all applicable laws, statutes, ordinances, resolutions, regulations, proclamations, orders or decrees of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over the Premises, or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties ("Laws") governing the use, occupancy, management, operation and possession of the Premises. Without limiting the foregoing, this Permit is made subject to any and all covenants, conditions, restrictions, easements and other title matters affecting the Premises, or any portion thereof, whether or not of record. Permittee acknowledges and agrees that neither Authority nor any of its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors , and their respective heirs, legal representatives, successors and assigns ("Authority's Agents") have made, and Authority hereby disclaims, any representations or warranties, express or implied, concerning (i) title or survey matters affecting the Premises, (ii) the physical, geological, seismological or

environmental condition of the Premises, (iii) the quality, nature or adequacy of any utilities serving the Premises, (iv) the feasibility, cost or legality of constructing any Alterations on the Premises if required for Permittee's use and permitted under this Permit, (v) the safety of the Premises, whether for the use of Permittee or any other person, including Permittee's Agents or Permittee's clients, customers, vendors, invitees, guests, members, licensees, assignees or permittees ("Permittee's Invitees"), or (vi) any other matter whatsoever relating to the Premises or their use, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

4. Seismic Report and Structural Report. Without limiting Section 3 above, Permittee expressly acknowledges for itself and Permittee's Agents that it received and read that certain report dated August 1995, entitled "*Treasure Island Reuse Plan: Physical Characteristics, Building and Infrastructure Conditions,*" prepared for the Office of Military Base Conversion, Department of City Planning, and the Redevelopment Agency of the City and County of San Francisco, (the "Seismic Report"), a copy of the cover page of which is attached hereto as Exhibit C. Permittee has had an adequate opportunity to review the Seismic Report with expert consultants of its own choosing. The Seismic Report, among other matters, describes the conditions of the soils on Treasure Island and points out that in the area of the Property where the Premises are located, an earthquake of magnitude 7 or greater is likely to cause the ground under and around the Premises to spread laterally to a distance of ten (10) or more feet and/or result in other risks. In that event, there is a significant risk that buildings and any other structures or improvements located on or about the Premises may fail structurally and collapse. Permittee further expressly acknowledges for itself and Permittee's Agents that it received and read that certain *Treasure Island Study, Seismic Evaluation of Building 1* prepared by SOH & Associates, a copy of which is attached hereto as Exhibit D (the "Structural Report"). The Structural Report, among other matters, notes that during an earthquake of magnitude 7 or greater, the buildings and any other structures or improvements located on or about the Premises may not provide life-safety for occupants in the event of an earthquake.

5. Use of Premises. Permittee may enter and use the Premises during those days and hours shown on Exhibit E, attached, which occur within the Term of this Permit as set forth in Section 9 below for the sole purpose of a (i) an art exhibit installation and (ii) and an opening reception, and for no other purpose.

6. Restrictions on Use. Permittee agrees that, by way of example only and without limitation, the following uses of the Premises by Permittee, or any other person claiming by or through Permittee, are inconsistent with the limited purpose of this Permit and are strictly prohibited as provided below:

(a) Hazardous Material. Permittee shall not cause, nor shall Permittee allow any of its Agents or Invitees (as such terms are defined below) to cause, any Hazardous Material (as defined below) to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises, or transported to or from the Premises without the prior written consent of Authority. Permittee shall immediately notify Authority when Permittee learns of, or has reason to believe that, a release of Hazardous Material has occurred in, on or about the Premises. Permittee shall further comply with all laws requiring notice of such releases or threatened releases to governmental agencies, and shall take all action necessary to mitigate the release or minimize the spread of contamination. In the event that Permittee or its Agents or Invitees cause a release of Hazardous Material, Permittee shall, without cost to Authority and in accordance with all laws and regulations, return the Premises to the condition immediately prior to the release. In connection therewith, Permittee shall afford Authority a full opportunity to participate in any discussion with governmental agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree or other compromise proceeding

involving Hazardous Material. For purposes hereof, "**Hazardous Material**" means material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to public health, welfare or the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601 et seq., or pursuant to Section 25316 of the California Health & Safety Code; a "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the Premises or are naturally occurring substances in the Premises, and any petroleum, including, without limitation, crude oil or any fraction thereof, natural gas or natural gas liquids. The term "**release**" or "**threatened release**" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the Premises.

(b) Nuisances. Permittee shall not conduct any activities on or about the Premises that constitute waste, nuisance or unreasonable annoyance (including, without limitation, emission of objectionable odors, noises or lights) to Authority, to the owners or occupants of neighboring property or to the public.

(c) Damage. Permittee shall not do anything about the Premises that could cause damage to the Premises or any Authority property.

(d) Parking. Permittee shall be allowed to park up to 50 vehicles in the area designated for parking on Exhibit B attached hereto. To the extent practicable, Permittee shall use its best efforts to encourage ride-sharing, the use of shuttle busses or other pooled-means of transportation to and from the Premises.

7. Alterations. Except as otherwise expressly provided herein, Permittee shall not construct or place any temporary or permanent structures or improvements in, on, under or about the Premises, nor shall Permittee make any alterations or additions to any of existing structures or improvements on the Premises, unless Permittee first obtains Authority's prior written consent, which Authority may give or withhold in its sole and absolute discretion.

8. Permit Fees. In consideration of the Treasure Island Homeless Development Initative's role as a valuable on-island community partner and their larger role providing housing opportunities for formerly homeless in the Bay Area, the Authority waives any fees associated with use of this space.

9. Term of Permit. The privilege conferred to Permittee pursuant to this Permit shall commence on February 1, 2007 at 9:00AM and shall automatically expire on February 28, 2007 at 5:00PM. Moreover, if the Master Lease terminates for any reason whatsoever, this Permit shall automatically terminate.

10. Compliance with Laws. Permittee shall, at its expense, conduct and cause to be conducted all activities on the Premises allowed hereunder in a safe and reasonable manner and in compliance with all laws, regulations, ordinances and orders of any governmental or other regulatory entity (including, without limitation, the Americans with Disabilities Act) whether presently in effect or subsequently adopted and whether or not in the contemplation of the parties. Permittee shall, at its sole expense, procure and maintain in force at all times during its use of the Premises any and all business and other licenses or approvals necessary to conduct the activities allowed hereunder. Permittee understands and agrees that Authority is entering

into this Permit in its capacity as a property owner with a proprietary interest in the Premises and not as a regulatory agency with police powers. Permittee further understands and agrees that no approval by Authority for purposes of this Permit shall be deemed to constitute approval of any federal, state, Authority or other local regulatory authority with jurisdiction, and nothing herein shall limit Permittee's obligation to obtain all such regulatory approvals at Permittee's sole cost or limit in any way Authority's exercise of its police powers. Without limiting the foregoing, before beginning any work in the Premises, Permittee shall obtain any and all permits, licenses and approvals (collectively, "approvals") of all regulatory agencies and other third parties that are required to commence and complete the permitted work.

11. Security. In addition to the Permit Fee described in section 8 above, Permittee shall pay all cost of providing the security services described on Exhibit F attached hereto.

12. Surrender. Upon the expiration of this Permit, Permittee shall surrender the Premises in the same condition as received, free from hazards and clear of all debris. At such time, Permittee shall remove all of its property from the Premises permitted hereunder, and shall repair, at its cost, any damage to the Premises caused by such removal. Permittee's obligations under this Section shall survive any termination of this Permit.

13. RELEASE AND WAIVER OF CLAIMS; INDEMNIFICATION

13.1. Release and Waiver of Claims. Permittee, on behalf of itself and Permittee's Agents, covenants and agrees that the Authority shall not be responsible for or liable to Permittee for, and, to the fullest extent allowed by any Laws, Permittee hereby waives all rights against the Authority and releases them from, any and all claims, demands, losses, liabilities, damages, liens, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, including, without limitation, reasonable attorneys' and consultants' fees and costs ("Losses"), including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any person or loss or damage to any property, in or about the Premises, from any cause whatsoever, including without limitation, partial or complete collapse of the buildings thereon due to an earthquake or subsidence, except only to the extent such Losses are caused exclusively by the gross negligence or willful misconduct of the Authority (except as provided in Section 13.1(a) below). Without limiting the generality of the foregoing:

(a) Without limiting any other waiver contained herein, Permittee on behalf of itself and its successors and assigns, hereby waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Authority from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way be connected with the Authority's decision to allow Permittee to use the Premises, regardless of whether or not such decision is or may be determined to be an act of gross negligence or willful misconduct of the Authority.

(b) Permittee covenants and agrees never to file, commence, prosecute or cause to be filed, commenced or prosecuted against the Authority any claim, action or proceeding based upon any claims, demands, causes of action, obligations, damages, losses, costs, expenses or liabilities of any nature whatsoever encompassed by the waivers and releases set forth in this Section 13.1.

(c) In executing these waivers and releases, Permittee has not relied upon any representation or statement other than as expressly set forth herein.

(d) Permittee had made such investigation of the facts pertaining to these waivers and releases it deems necessary and assumes the risk of mistake with respect to such facts. These waivers and releases are intended to be final and binding on Permittee regardless of any claims of mistake.

(e) In connection with the foregoing releases, Permittee acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

13.2. Acknowledgment. Permittee acknowledges that the releases contained herein includes all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Permittee realizes and acknowledges that it has agreed upon this Permit in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The waivers and releases contained herein shall survive any termination of this Permit.

13.3. Permittee's Indemnity. Permittee, on behalf of itself and Permittee's Agents, shall indemnify, protect, defend and hold harmless forever ('Indemnify") the Authority from and against any and all Losses, expressly including but not limited to, any Losses arising out of a partial or complete collapse of any building located on the Premises due to an earthquake or subsidence, incurred in connection with or arising directly or indirectly, in whole or in part, out of: (a) any damage to or destruction of any property owned by or in the custody of Permittee or Permittee's Agents or Permittee's Invitees, (b) any accident, injury to or death of a person, including, without limitation, Permittee's Agents and Permittee's Invitees, howsoever or by whomsoever caused, occurring in, on or about the Premises (c) any default by Permittee in the observation or performance of any of the terms, covenants or conditions of this Permit to be observed or performed on Permittee's part; (d) the use, occupancy, conduct or management, or manner of use, occupancy, conduct or management by Permittee, Permittee's Agents or Permittee's Invitees or any person or entity claiming through or under any of them, of the Premises or any Alterations; (e) the condition of the Premises, (f) any construction or other work undertaken by Permittee on or about the Premises whether before or during the Term of this Permit; or (g) any acts, omissions or negligence of Permittee, Permittee's Agents or Permittee's Invitees, or of any trespassers, in, on or about the Premises or any alterations; except to the extent that such Indemnity is void or otherwise unenforceable under any applicable Laws in effect on or validly retroactive to the date of this Permit and further except only to the extent such Losses are caused by the gross negligence and intentional wrongful acts and omissions of the Authority. Notwithstanding the foregoing, Permittee's obligations to indemnify the Authority under this Section 13.3 shall remain in full force and effect regardless of whether or not the Authority' decision to permit the Premises to the Permittee, given the seismic condition of the property, is or may be determined to be an act of gross negligence or willful misconduct of the Authority. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and Authority's costs of investigating any Loss. Permittee specifically acknowledges and agrees that it has an immediate and independent obligation to defend Authority from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Permittee by Authority and continues at all times thereafter. Permittee's obligations under this Section shall survive the expiration or sooner termination of this Permit. Notwithstanding anything contained herein, to

the extent such Losses are not covered by insurance required herein and subject to this Section 13.3, Permittee shall have no obligation to repair, restore or reconstruct the Premises (or to pay for the same) in the event the Premises are damaged or destroyed by an earthquake or subsidence or by any other uninsured casualty.

14. INSURANCE

14.1. Permittee's Insurance. Permittee shall procure and maintain throughout the Term of this Permit and pay the cost thereof the following insurance:

(a) Worker's Compensation, with Employers' Liability Limits not less than $1,000,000 each accident; and

(b) Commercial General Liability Insurance with limits not less than $1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Host Liquor Liability, Personal Injury, Broad Form Property Damage, Products and Completed Operations; and

(c) Automobile liability insurance with limits not less than $1,000,000 each occurrence combined single limit for bodily injury and property damage, including owned and non-owned and hired vehicles, if Permittee uses, or causes to be used, any automobiles in connection with its use of the Premises.

14.2. General Requirements. All insurance provided for under this Permit shall be effected under valid enforceable policies issued by insurers of recognized responsibility and reasonably approved by Authority.

(a) Should any of the required insurance be provided under a claims-made form, Permittee shall maintain such coverage continuously throughout the term hereof and, without lapse, for a period of one (1) year beyond the expiration or termination of this Permit, to the effect that, should occurrences during the Term give rise to claims made after expiration or termination of this Permit, such claims shall be covered by such claims-made policies.

(b) Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit shall double the occurrence or claims limits specified above.

(c) All liability insurance policies shall be endorsed to provide the following:

(i) Cover Permittee as the insured and the City and County of San Francisco, the Treasure Island Development Authority, their officers, agents, and employees as an additional insured.

(ii) That such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Permit, and that insurance applies separately to each insured against whom claim is made or suit is brought. Such policies shall also provide for severability of interests and that an act or omission of one of the named insureds which would void or otherwise reduce coverage shall not reduce or void the coverage as to any insured, and shall afford coverage for all claims based on acts, omissions, injury or damage which occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period.

14.3. Proof of Insurance. Permittee shall deliver to Authority certificates of insurance in form and with insurers satisfactory to Authority, evidencing the coverages required hereunder, on or before the commencement date of this Permit, together with complete copies of the policies promptly upon Authority's request. In the event Permittee shall fail to procure such insurance, or to deliver such policies or certificates, Authority may, at its option, procure the same for the account of Permittee, and the cost thereof shall be paid to Authority within five (5) days after delivery to Permittee of bills therefor.

14.4. No Limitation on Indemnities. Permittee's compliance with the provisions of this Section shall in no way relieve or decrease Permittee's indemnification obligations herein or any of Permittee's other obligations or liabilities under this Permit.

14.5. Lapse of Insurance. Notwithstanding anything to the contrary in this Permit, Authority may elect in Authority's sole and absolute discretion to terminate this Permit upon the lapse of any required insurance coverage by written notice to Permittee.

14.6. Permittee's Personal Property. Permittee shall be responsible, at its expense, for separately insuring Permittee's Personal Property.

14.7. Waiver of Subrogation. Notwithstanding anything to the contrary contained herein, to the extent permitted by their respective policies of insurance, Authority and Permittee each hereby waive any right of recovery against the other party and against any other party maintaining a policy of insurance covering the Premises and their contents, or any portion thereof, for any loss or damage maintained by such other party with respect to the Premises, or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party. If any policy of insurance relating to the Premises carried by Permittee does not permit the foregoing waiver or if the coverage under any such policy would be invalidated due to such waiver, Permittee shall obtain, if possible, from the insurer under such policy a waiver of all rights of subrogation the insurer might have against Authority or any other party maintaining a policy of insurance covering the same loss, in connection with any claim, loss or damage covered by such policy.

15. No Assignment. This Permit is personal to Permittee and shall not be assigned, conveyed or otherwise transferred by Permittee under any circumstances.

16. MacBride Principles - Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Permittee acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

17. Non-Discrimination. Permittee shall not, in the operation and use of the Premises, discriminate against any person or group of persons solely because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, gender identity, disability or acquired immune deficiency syndrome (AIDS) or AIDS related condition (ARC). The provisions of Chapters 12B and 12C of the San Francisco Administrative Code, relating to nondiscrimination by parties contracting with the City and County of San Francisco, are incorporated herein by reference and made a part hereof as though fully set forth herein. Permittee agrees to comply with all of the provisions of such Chapters 12B and 12C that apply to parties contracting with the City and County of San Francisco.

18. Tropical Hardwoods and Virgin Redwood. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood product, virgin redwood, or virgin redwood product.

19. No Tobacco Advertising. Permittee acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of the Authority, including the property which is the subject of this Permit. This prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

20. Security Deposit. Not Applicable.

21. Rules and Regulations. In connection with the Permittee's use hereunder, Permittee shall comply with the Rules and Regulations attached hereto as Exhibit G.

22. General Provisions. **(a)** This Permit may be amended or modified only by a writing signed by Authority and Permittee. **(b)** No waiver by any party of any of the provisions of this Permit shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. **(c)** This instrument (including the exhibit(s) hereto) contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. **(d)** The section and other headings of this Permit are for convenience of reference only and shall be disregarded in the interpretation of this Permit. **(e)** Time is of the essence. **(f)** This Permit shall be governed by California law and Authority's Charter. **(g)** If either party commences an action against the other or a dispute arises under this Permit, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Authority shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience. **(h)** If Permittee consists of more than one person then the obligations of each person shall be joint and several. **(i)** Permittee may not record this Permit or any memorandum hereof. **(j)** Subject to the prohibition against assignments or other transfers by Permittee hereunder, this Permit shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns. **(k)** Any sale or conveyance of the property burdened by this Permit by Authority shall automatically revoke this Permit. **(l)** This Permit may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

PERMITTEE:
Treasure Island Homeless Development Initiative

By: _____

Name: _____

Its: _____

TREASURE ISLAND DEVELOPMENT AUTHORITY

By: _____
Mirian Saez
Director of Island Operations

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By: _____
Deputy City Attorney

AGENDA ITEM 8(h)
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: Resolution Authorizing a Fourth Amendment to the Contract with Economic & Planning Systems for Economic Consulting Services in Support of Negotiations with the US Navy and the Master Developer By Retroactively Extending the Term for an Additional Eight Months through August 31, 2007 and Increasing the Budget by $80,000 for a Total Not to Exceed Amount of $265,000 *(Action Item)*

Contact Jack Sylvan, Office of Base Reuse and Development

BACKGROUND

The Authority is currently engaged in a simultaneous, dual track process of negotiating transfer of the property from the U.S. Navy and negotiating a disposition and development agreement (DDA) with a master developer for the economic redevelopment of former Naval Station Treasure Island. An integral component of these interlinked negotiations is iterative financial feasibility and fiscal impacts evaluations. The Authority, like most public agencies with the responsibility of managing a development project of this complexity, has and will continue to rely on third party consultants with the technical expertise to assist with these services. On September 8, 2004, the Authority approved a contract with EPS in an amount not-to-exceed $150,000 to provide economic and real estate consulting services to assist the Authority in its negotiations with both the prospective master developer and the U.S. Navy. That contract was amended by the Authority at its April 9, 2006 meeting to add an additional $35,000 for EPS services in support of finalizing the Development Plan and Term Sheet for the Redevelopment of Naval Station Treasure Island (Development Plan), which was endorsed by the Authority and Board of Supervisors in the Fall of 2006. The contract was further amended by the Authority at its July 26, 2006 meeting to extend the term through December 31, 2006, a timeframe consistent with the need for EPS services to obtain endorsement of the Development Plan.

The scope of work with EPS consists of the following tasks:

(1) Disposition and Development Negotiations with the master developer,
(2) Negotiations with the U.S. Navy, and
(3) a Fiscal Analysis relevant to both of the prior tasks.

As indicated at prior Authority Board meetings, upon endorsement of the Development Plan, staff and TICD are making negotiations with the US Navy the highest immediate priority in the development planning process. In 2000, the Authority submitted a No-Cost Economic Development Conveyance Application (EDC Application), which was based on an illustrative land use and financial plan consistent with the 1994 Draft Reuse Plan. The Navy has indicated that a revised EDC Application consistent with the recently endorsed Development Plan will be

necessary to support conveyance of the property. The Navy has also hired a consultant to conduct an appraisal of Treasure Island, which will be part of the conveyance negotiation process. Revising the EDC Application and the on-going discussions and negotiations with the Navy around the financing plan associated with the Development Plan and the appraisal process will require additional scope and budget from EPS.

DISCUSSION

EPS has provided quality, timely and strategically effective consulting services to the Authority with both the Navy and the master developer. That said, staff believes that it is appropriate to initiate a competitive bidding process for economic and real estate consulting services as part of the next phase of DDA negotiations with the master developer. However, staff believes that it will be most efficient and effective to utilize EPS for the immediate needs of revising the EDC Application (of which EPS was the lead in drafting the original 2000 application) and assisting the Authority in negotiating a term sheet conveyance agreement with the US Navy. The existing $185,000 amount in the contract budget has been expended and staff anticipates the need for additional budget to provide the services. This work would consist of the following:

- ***EDC Application and Navy Negotiations.*** EPS would assist the Authority in completely revising the original EDC Application, as requested by the Navy. This includes a new jobs generation analysis, revised business plan and terms sections and revised analysis of the San Francisco region economy, each required elements of the EDC Application. EPS will assist the Authority in preparing and attending meetings with the Navy, working with Navy economic and appraisal consultants, responding to information requests from the Navy and their consultants, conducting sensitivity analysis of business terms and strategically advising the Authority on its negotiations with the US Navy.
- ***DDA Negotiations and Analysis.*** As staff has indicated previously, the Financing Plan attached to the Development Plan will require adjustment or refinement associated with additional cost factors which are known or need to be evaluated (submarine cable, transition plan, etc.). Staff will provide the Navy with this information to factor into the property conveyance negotiations as it is prepared and will require the assistance from EPS in preparing materials and reviewing information prepared by TICD. EPS will also strategically advise the Authority as the negotiations with the Navy and TICD play out simultaneously.
- ***Fiscal Analysis.*** As the negotiations with the Navy and TICD will trigger analysis of the Financing Plan, so will they likely trigger further analysis and response to questions regarding the Fiscal Impacts Analysis. EPS will provide the necessary support for both discussions with TICD and negotiations with the Navy on this task.

Staff estimates that the additional services necessary to support this additional scope of work is $80,000, for a new total not-to-exceed contract amount of $265,000. Exhibit A includes a Proposed Additional Budget table detailing EPS time and costs for each of the tasks described above. As indicated previously, this contract amendment is intended to enable Authority staff to

utilize EPS' expertise and time through negotiation of a conveyance agreement with the Navy to a term sheet level. Staff believes a reasonable amount of time for this is six months and the contract term is proposed to be amended accordingly through August 31, 2007. It is the intention of staff to initiate a competitive bidding process for economic and real estate consulting services necessary after this phase of Navy negotiations has been completed.

The funds for this contract amendment were budgeted in the Authority's FY 2006-07 budget and 100 percent of the costs will be reimbursed by TICD under the terms of the Exclusive Negotiating Agreement between the Authority and TICD.

RECOMMENDATION

Staff recommends approval of the Fourth Amendment to the contract with EPS increasing the contract amount by an additional $80,000 for a total not-to-exceed contract amount of $265,000.

EXHIBITS

A Fourth Amendment to Contract with EPS

[Authorization to Execute Fourth Amendment to Contract with EPS]

Authorizing a Fourth Amendment to the contract with Economic and Planning Systems for economic consulting services in support of negotiations with the U.S. Navy and the Master Developer by retroactively extending the term for an additional eight months through August 31, 2007 and increasing the budget by $80,000 for a total not to exceed amount of $265,000.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America ("the Federal Government"); and,

WHEREAS, Treasure Island was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, In 1995, the General Services Administration and the Bureau of Land Management determined that Yerba Buena Island was surplus to the federal Government's needs and could be transferred to the administrative jurisdiction of the Department of Defense under the Base Closure and Realignment Act of 1990 and disposed of together with Treasure Island; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter

1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency for Treasure Island in 1997; and,

WHEREAS, The Authority issued a Request for Proposals ("RFP") for Consultant Services to assist the Authority in preparation of an Economic Development Conveyance ("EDC") Application and the creation and adoption of a Redevelopment Plan for former Naval Station Treasure Island on July 15, 1998; and,

WHEREAS, Economic and Planning Systems ("EPS") responded to the RFP as a member of the Sedway Group team to provide economic consulting services; and,

WHEREAS, The Authority authorized the Executive Director to execute a contract with the Sedway team based on the fact that the Sedway team was the highest ranked respondent to the RFP; and,

WHEREAS, The EDC application has been completed, as specified under the terms of the contract; and,

WHEREAS, In response to a Navy request, EPS assisted the Authority in 2003 by updating the original EDC Application; and,

WHEREAS, On September 8, 2004, the Authority authorized the Executive Director to execute a new contract with EPS to provide economic consulting services expected to complete the process of negotiating a transfer of property with the Navy and completion of the

Disposition and Development Agreement with the master developer in an amount not-to-exceed $150,000; and,

WHEREAS, On December 14, 2005, the Authority authorized the Executive Director to extend the term of the contract with EPS to June 30, 2006, a timeframe that was consistent with the Authority's schedule for endorsement of a Development Plan and Term Sheet by the Authority Board and Board of Supervisors; and,

WHEREAS, On April 17, 2006, the Authority approved a contract amendment increasing the budget by $35,000 for a total not-to-exceed contract amount of $185,000; and,

WHEREAS, On July 26, 2006, the Authority approved a contract amendment extending the term of the contract with EPS to December 31, 2006 to provide the Authority with the continued services of EPS during the completion of the Development Plan and Term Sheet consistent with the further extended timeframe approved by the Authority; and,

WHEREAS, The Authority Board and the Board of Supervisors endorsed the Development Plan and Term Sheet in the Fall of 2007; and,

WHEREAS, Upon endorsement of the Development Plan and Term Sheet, conveyance negotiations with the Navy has become the highest immediate priority in the development planning process; and,

WHEREAS, In connection with the conveyance negotiations, the Navy is requiring that the Authority submit a revised EDC Application that is consistent with the recently endorsed Development Plan and Term Sheet; and,

WHEREAS, Authority staff recommends that it will be most efficient and effective to utilize EPS for the immediate needs of revising the EDC Application and assisting the Authority in negotiating a conveyance term sheet with the Navy due to EPS' familiarity with the EDC Application and the Development Plan and Term Sheet; and,

WHEREAS, Authority staff recommends extending the term of the EPS contract through August 31, 2007 and increasing the maximum amount payable to EPS under the contract in order to permit staff to continue to utilize the needed services of EPS in revising the EDC Application and negotiating a conveyance term sheet with the Navy; and

WHEREAS, Authority staff intend that upon completion of the phase of negotiating a term sheet agreement with the Navy for conveyance of the property a competitive selection process will be initiated to select a contractor to provide economic and real estate consulting services in the subsequent phase of negotiations with the Navy and master developer; now therefore be it

WHEREAS, Authority staff recommends extending the term of the EPS contract RESOLVED, That the Authority hereby authorizes the Director of Island Operations to execute a fourth amendment to the contract with EPS to assist the Authority with economic consulting services in support of revising the EDC Application and negotiating a conveyance term sheet with the Navy, by retroactively extending the term for an additional eight months through August 31, 2007, and increasing the maximum amount payable under the EPS contract by $80,000 for a total not to exceed amount of $265,000, in substantially the form attached to this resolution as Exhibit A.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on February 14, 2007.

_____

John Elberling

AVERY
RECYCLED PAPER MADE FROM 10% POST-CONSUMER CONTENT

TREASURE ISLAND DEVELOPMENT AUTHORITY
CITY AND COUNTY OF SAN FRANCISCO

FOURTH AMENDMENT

THIS FOURTH AMENDMENT (this "Amendment") is made as of Feb 14, 2007, in San Francisco, California, by and between Economic and Planning Systems ("Contractor"), and the Treasure Island Development Authority, a municipal corporation ("Authority"), acting by and through its Executive Director ("Executive Director").

RECITALS

WHEREAS, Authority and Contractor have entered into the Agreement (as defined below); and

WHEREAS, Authority and Contractor desire to modify the Agreement on the terms and conditions set forth herein;

NOW, THEREFORE, Contractor and the Authority agree as follows:

1. **Definitions**. The following definitions shall apply to this Amendment:

(a) Agreement. The term "Agreement" shall mean the Agreement dated September 1, 2004 between Contractor and Authority, as amended by a First Amendment dated January 1, 2006, a Second Amendment dated April 17, 2006 and a Third Amendment dated July 1, 2006.

(b) Other Terms. Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

2. **Modifications to the Agreement**. The Agreement is hereby modified as follows:

(a) Section 2, Term of the Agreement, is hereby amended to read as follows:

Subject to Section 1, the term of this Agreement shall be from September 1, 2004 through August 31, 2007.

(b) Section 5, Compensation, is hereby amended to read as follows:

Compensation shall be made in monthly payments on or before the last day of each month for work, as set forth in Section 4 of this Agreement, that the Director, in their sole discretion, concludes has been performed as of the last day of the immediately preceding month. In no event shall the amount of this Agreement exceed Two Hundred Sixty Five Thousand Dollars ($265,000). The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein.

No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by the Authority as being in accordance with this Agreement. The Authority may withhold

payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

In no event shall the Authority or City be liable for interest or late charges for any late payments.

3. **Effective Date**. Each of the modifications set forth in Section 2 shall be effective on and after the date of this Amendment.

4. **Legal Effect**. Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and Authority have executed this Amendment as of the date first referenced above.

AUTHORITY

Recommended by:

_____
Treasure Island Development Authority

Approved as to form

Dennis J. Herrera
City Attorney

By _____
Deputy City Attorney

CONTRACTOR

By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.

I have read and understood Paragraph 35, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.

_____
James R. Musbach, Managing Principal
Economic and Planning Systems (EPS)
2501 Ninth St. Suite 200
Berkeley, CA 94710
Tel: 510/398-2853
Fax: 510/841-9208
FEIN:

Table 1
Budget for Services to Treasure Island Development Authority
EPS #12100

Task/ Description	EPS Staff: Musbach	Berkson	Assoc.	Research Analyst	Production Staff	Staff Cost Subtotal	Direct Costs	Total Budget
Contract (through Jan 1, 2007)								
Task 1: DDA Negotiations	150	225	225	175	16	$124,460	$540	$125,000
Task 2: EDC Application	40	40	40	22	8	$24,840	$160	$25,000
Task 3: Fiscal Analysis	8	60	57	160	12	$34,810	$190	$35,000
TOTAL	198	325	322	357	36	**$184,110**	**$890**	**$185,000**
Billing Rates	$235	$200	$130	$80	$60			
Contract Amendment								
Task 1: DDA Negotiations	40	40	0	40	4	$24,280	$100	$24,380
Task 2: EDC Application	80	80	0	100	4	$50,180	$100	$50,280
Task 3: Fiscal Analysis	4	10	0	20	0	$5,300	$40	$5,340
TOTAL	124	130	0	160	8	**$79,760**	**$240**	**$80,000**
Billing Rates	$275	$230	$140	$95	$70			
TOTAL, as amended								
Task 1: DDA Negotiations	190	265	225	215	20	$148,740	$640	$149,380
Task 2: EDC Application	120	120	40	122	12	$75,020	$260	$75,280
Task 3: Fiscal Analysis	12	70	57	180	12	$40,110	$230	$40,340
TOTAL	322	455	322	517	44	**$263,870**	**$1,130**	**$265,000**

Notes: Actual staff allocations will depend upon specific direction from TIDA, and the extent of analysis, meetings, and presentations required as negotiations proceed.
Expenses billed at cost, including shipping, copying, mileage and expenses for travel to meetings, and data acquisition.

AGENDA ITEM 8 (i)
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: Authorizing the Director of Island Operations to Execute an Amendment to the Loan Agreement with the Government of Mexico and the Fine Arts Museums of San Francisco for the Temporary Loan to Mexico of the Miguel Covarrubias Murals "Pageant of the Pacific" to Amend the Schedule of Display and Extend the Term of the Agreement (*Action Item*)
Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND
In March of 2001, the Treasure Island Development Authority (the "Authority" or "TIDA") accepted five murals by renowned Mexican national muralist Miguel Covarrubias as a gift from the Port of San Francisco (Authority Resolution 01-50-3/29). Prior to being transferred to the Authority, the murals hung at the World Trade Club inside the Ferry Building in San Francisco. The major renovation of the Ferry Building in 2001 did not envision an appropriate location for continued display of the murals once the building was re-opened. At this time the Authority and the Port entered into an agreement whereby the Authority received the murals from the Port with the purpose of facilitating the eventual long-term public display of the murals on Treasure Island. The five murals are comprised of 44 individual panels and collectively named "The Pageant of the Pacific". Covarrubias painted the murals by commission for display in the Pacific House at the 1939-1940 Golden Gate International Exposition held on Treasure Island. Upon transfer from the Port in 2001, the murals were properly packaged and put in storage within a climate controlled building on Treasure Island.

In August of 2004, the Authority was approached by the Mexican Consulate in San Francisco with a proposal which would allow Mexico to borrow the murals for public display in Mexico in exchange for the Mexican Ministry of Culture performing the professional restoration and conservation work needed on the murals prior to long term public display on Treasure Island as well as paying all costs associated with the display, insuring, shipping and handling and security of the murals while in Mexico. Mexico and the City of San Francisco have a well-developed history of cultural exchange, especially in the realm of fine art and artifacts. Though Covarrubias is one of Mexico's best known muralists, the "Pageant of the Pacific" has never been displayed in Mexico.

At the same time these discussions were beginning, the Fine Arts Museum of San Francisco was approached separately by Mr. Phillip Hudner, a trustee of the Charles D. and Frances K. Field Fund who expressed the Fund's interest in making a grant, through the Fine Arts Museum,

towards the restoration of the Covarrubias murals. Mr. Hudner was an attendee of the 1939-1940 Golden Gate International Exposition and is a lifelong fan of Covarrubias and his work.

At the beginning of this process in August of 2004, the murals, though property of the Authority, were still under the jurisdiction of the San Francisco Arts Commission. Discussions between Arts Commission staff, Authority staff, and the Office of the City Attorney concluded that the murals should become the sole property of the Authority, and at the January 19, 2005 meeting of the Visual Arts Committee and the February 7, 2005 meeting of the full Commission, the Commission voted unanimously to deaccession the murals from the Civic Arts Collection and also voted unanimously to endorse the proposed exhibition and restoration agreement (Arts Commission Resolution 0207-05-016).

Following negotiations between the three parties, the Authority Board approved a Loan Agreement between the Government of Mexico, Fine Arts Museums of San Francisco, and the Authority for the loan, restoration and display of the murals at its May 11, 2005 meeting. The loan agreement reflected a collaborative effort between the Authority, the Government of Mexico and the Fine Arts Museum of San Francisco. Partial costs of restoration and conservation were reimbursed to Mexico by the Fine Arts Museums using the grant money provided them by the Field Fund. Mexico paid partial costs of restoration and conservation, and is paying for all costs associated with installation and display of the murals, security, insurance and shipping and handling of the murals within Mexico. The Fine Arts Museum is paying for shipping of the murals from the Authority to Mexico and back to the Authority through the Field Fund grant money.

Restoration Process:

Due to unavoidable delays, the murals did not arrive in Mexico until the beginning of November, 2005, thus delaying the restoration work and pushing back the entire schedule by several months. The Government of Mexico, acting through its Fine Arts Ministry (CONACULTA) and its National Center for Conservation of the National Patrimony (CNRCPN), performed necessary restoration and conservation work on the mural panels based on the recommendations set forth in the Anne Rosenthal report "Examination Report and Conservation Recommendations" commissioned in 2000 by the San Francisco Arts Commission as well as a follow-up treatment proposal created by Mr. Walther Boelstery, then-Director of CNRCPN in cooperation with Carl Grimm, PhD, Head Paintings Conservator for the Fine Arts Museum of San Francisco. The restoration work took approximately 4 months to complete, with a team of restorationists working on the murals. At the end of this process the final work product was inspected and approved by Carl Grimm as conforming to both the Rosenthal report as well as the CNRCPN-FAMSF treatment proposal. Pictures of the murals on display in Mexico City are attached to this item as Exhibit B, and reflect the excellent restoration work performed by Mexico on the murals.

Display in Mexico To-Date:

After the restoration and conservation was completed and approved, the murals were installed for public display at the Antiguo Colegio de San Ildefonso in Mexico City's Historic District. The exhibit ran from June 21 through late October, 2006, and was extremely well received. The opening night and subsequent multi-month exhibition were covered by all major Mexican media outlets, and several thousand people visited the museum during the exhibition period. At the end

of the exhibition, the murals were properly deinstalled and packed for short-term storage at CNRCPN under the supervision of Carl Grimm of FAMSF.

On January 29, 2007 the murals were transported from CNCRPN to the Museo Amparo in Puebla, PE. Under Carl Grimm's supervision, the murals were installed at the Amparo between January 29th and February 2nd, 2007. The Museo Amparo's exhibit of the murals is scheduled to open on February 22nd, 2007 and run through May of 2007.

Amendments to Loan Agreement: There are three necessary revisions to the Agreement encapsulated in the amendment before the Authority Board. First, the amendment seeks to update the display schedule to reflect the actual dates of restoration and display that have occurred, and to update the remaining display schedule by extending the term, to account for the initial delay.

As discussed earlier in this memo, a delay in shipping the murals to Mexico pushed back the entire schedule of restoration and display contemplated in the original Agreement. It is important to note that these delays were due to logistics associated with international shipping, and do not reflect any non-adherence to the Agreement by Mexico, FAMSF or the Authority.

Secondly, due to internal deliberations, CONACULTA chose to make Puebla, not Guadalajara, the second city for the murals exhibit. As a result, it is necessary to amend the Agreement to reflect this change in the second venue location. The murals will be displayed in Puebla at the Museo Amparo. Per the terms of the original Agreement, FAMSF has received a venue report for the Museum Amparo, reviewed this report, and found the Museo Amparo to be suitable for display of the murals. CONACULTA still intends for Monterrey to remain the third venue for this exhibit on a schedule generally in-line with the amended schedule of display contained in the amendment.

Finally, the amendment deletes references to the former Authority Executive Director contained in the original Agreement.

No other terms of the Agreement will change with this amendment, and all fiduciary responsibilities set-forth in the original Loan Agreement remain in place. There has been no Authority expenditures associated with this project to-date, and no new Authority expenditures are necessary as a result of this amendment.

RECOMMENDATION

Staff recommends approval of the amendment to the Agreement.

EXHIBITS

A Amendment to Loan Agreement between the Authority, the Government of Mexico and the Fine Arts Museums of San Francisco

B Pictures of the "Pageant of the Pacific" murals on display at the Antiguo Colegio de San Ildefonso, Mexico City, July 2006.

Prepared by Peter Summerville
For Mirian Saez, Director of Island Operations

FILE NO. _____ RESOLUTION NO. _____

[Amendment of the Loan of the Miguel Covarrubias Murals to the Government of Mexico]

Authorizing the Director of Island Operations to Execute an Amendment to the Loan Agreement with the Government of Mexico and the Fine Arts Museums of San Francisco for the Temporary Loan to Mexico of the Miguel Covarrubias Murals "Pageant of the Pacific" to Extend the Term and Amend the Schedule of Display.

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the Act"), the California Legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over former Naval Station Treasure Island (the "Base"), and (ii) with respect to those portions of the Base which are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, The Tidelands Trust prohibits the sale of Tidelands Trust property into private ownership, generally requires that Tidelands Trust property be accessible to the public and encourages public oriented uses of trust property that among other things, attract people to the waterfront, promote public recreation, protect habitat and preserve open space; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency with powers over Treasure Island in Resolution No. 43-98, dated February 6, 1998; and,

WHEREAS, On March 29, 2001, the Authority approved a resolution accepting as a gift from the Port of San Francisco five Miguel Covarrubias murals collectively titled "Pageant of the Pacific" (the "Murals"); and,

WHEREAS, At it's May 11, 2005, meeting the Authority approved a Loan Agreement ("Agreement") with the Government of Mexico and the Fine Arts Museums of San Francisco for the temporary loan to Mexico of the Miguel Covarrubias Murals "Pageant of the Pacific"; and,

WHEREAS, Due to unavoidable delays during the initial shipping process in 2005 the restoration, conservation and display schedule contemplated in the original agreement has been altered; and,

WHEREAS, In accordance with the terms of the Agreement, the Government of Mexico has completed the conservation and restoration of the Murals in accordance with a restoration treatment plan created in consultation with the Fine Arts Museums of San Francisco and in a manner approved by the Fine Arts Museums of San Francisco ; and,

WHEREAS, Under the terms of the Agreement, an exhibition schedule for the restored and conserved murals display throughout Mexico was established; and,

WHEREAS, The initial public display took place in Mexico City from June through October of 2006 as the first stop of the anticipated three city tour of the murals; and,

WHEREAS, Per the terms of the original Agreement, Mexico intends to display the murals in two more venues in Mexico and as such has requested an extension of the Agreement to extend the term of the display period in Mexico and amend the overall schedule to reflect the actual dates of restoration and display to-date, and to allow for public display of the murals in two remaining venues; and,

WHEREAS, Mexico performed outstanding restoration and conservation work on these murals, and the Fine Arts Museum of San Francisco has provided invaluable technical expertise and consultation throughout the process; and,

WHEREAS, Mexico remains committed to covering all costs related to the transportation, insurance, handling and display of the Murals within Mexico; and,

WHEREAS, The Government of Mexico remains committed to display of the Murals publicly in two additional locations throughout the country of Mexico in order to provide to the citizens of Mexico the ability to publicly view and enjoy the Murals; and,

WHEREAS, The Fine Arts Museum of San Francisco remains committed to receiving and administering grant money earmarked for transporting the Murals to and from Mexico and for funding the restoration and conservation of the Murals in Mexico performed by the Government of Mexico in collaboration with the Fine Arts Museum of San Francisco; now therefore be it

RESOLVED, That the Authority hereby authorizes the Director of Island Operations to execute an Amendment to the Loan Agreement in substantially the form attached hereto as Exhibit A with the Government of Mexico and the Fine Arts Museums of San Francisco

for Temporary Loan to Mexico of the Miguel Covarrubias Murals "Pageant of the Pacific" to extend the term and amend the schedule of display.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on February 14, 2007.

_____

John Elberling

FIRST AMENDMENT TO AGREEMENT

THIS FIRST AMENDMENT TO AGREEMENT ("Amendment") is made as of February __, 2007, by and among the TREASURE ISLAND DEVELOPMENT AUTHORITY (the "Authority" or "TIDA"), the FINE ARTS MUSEUMS OF SAN FRANCISCO ("FAMSF"), and the INSTITUTO NACIONAL DE BELLAS ARTES Y LITERTURA ("INBA" or "Mexico").

RECITALS

A. The Authority, FAMSF and Mexico are parties to the Agreement dated September 1, 2005 (the "Original Agreement"), under which Mexico agreed to conserve and restore the Covarrubias Murals and the Authority agreed to loan the Murals to Mexico for public presentation after Mexico's completion of the conservation and restoration treatment. Capitalized terms that are used in this Amendment and not defined herein shall have the meanings set forth in the Original Agreement.

B. Under the Original Agreement, the Murals were to be displayed in Mexico from December 1, 2005 through August 26, 2006 in accordance with the Exhibition Schedule set forth in Section II.C of the Original Agreement.

C. Due to certain unanticipated delays in connection with the shipping and restoration of the Murals, the parties desire to extend the term of the Original Agreement and revise the Exhibition Schedule on the terms and conditions set forth in this Amendment.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Amendment, the parties agree as follows:

AGREEMENT

1. Amendments to Original Agreement

(a) Section II.B - Schedule. Section II.B of the Original Agreement is deleted in its entirety and replaced with the following:

"II.B. SCHEDULE

Upon completion of the conservation and restoration of the Murals in accordance with the Conservation Plan, the Murals will be presented according to the following schedule (or other schedule as may be approved in writing by both Parties to this Agreement and by the San Francisco City Risk Manager) (the "Exhibition Schedule"):

Restoration:

October 31, 2005 – July 11, 2006
Centro Nacional de Conservación y Registro
del Patrimonio Artístico Mueble
San Ildefonso # 50
Centro Histórico
C.P. 06020, México, D.F.

Display:

July 12, 2006 – July 15, 2006
Transportation and placement of the mural at the Antiguo Colegio de San Ildefonso in Mexico City

July 21, 2006 – October 16, 2006
Venue: Antiguo Colegio de San Ildefonso (ASCI)
Justo Sierra # 16, Centro Histórico
C.P. 06020, México, D.F.

October 16, 2006 – January 28, 2007
Deinstallation of murals from venue in Mexico City and storage at CNCRPAM

January 29, 2007 – February 3, 2007
Transportation and placement of the murals at the Museo Amparo in Puebla, Pue.

February 21, 2007 – May 31, 2007
Venue: Museo Amparo
2 Sur 708, Centro Historico
Puebla, Pue.
72000, México

June 1, 2007 – June 30, 2007
Transportation and placement of the murals at the Centro de las Artes/Pinacoteca in Monterrey, Nuevo Leon

July 1, 2007 – September 30, 2007
Venue: Centro de las Artes/Pinacoteca
Av. Fundidora y Adolfo Prieto
Col. Obrera, Entrada Av. Madero S/N

Interior Parque Fundidora
C.P. 04010, Monterrey, N.L.

December 31, 2007
Return of the murals to Treasure Island Development Authority.

The Murals shall travel to the conservation and exhibition venues in Mexico for the approximate dates of October 30, 2005 through December 31, 2007, with any further extension subject to separate approval by the TIDA Board of Directors. Unless otherwise agreed upon in writing by the parties, Mexico shall send a final list of confirmed exhibition venues, exhibition dates and corresponding facility reports on or before July 1, 2007. Mexico shall not move the Murals to any other exhibition venue without the Authority and FAMSF's prior written consent and approval by the San Francisco City Risk Manager. Mexico will be responsible for all costs associated with the installation, deinstallation, packing, couriers, shipping, transport and security at and between each venue in Mexico. Upon completion of the exhibition dates, FAMSF will be responsible for the security, crating, roundtrip shipping and transport of the Murals from Mexico City to San Francisco. FAMSF shall be responsible for TIDA/FAMSF couriers, security, transport, and shipping of the Murals to the Authority. Any change of dates or location for the exhibition of the Murals shall be agreed upon in writing by all parties, and the San Francisco City Risk Manager."

(b) Executive Director. All references in the Original Agreement to Tony Hall as Executive Director of the Authority are hereby deleted. All notices to be delivered to the Authority shall be addressed to the attention of the "Director of Island Operations."

2. Miscellaneous.

(a) No Other Amendments. Except as amended by this Amendment, the Agreement and the Note shall remain unmodified and in full force and effect.

(b) Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument.

(c) Further Instruments. The parties hereto agree to execute such further instruments and to take such further actions as may be reasonably required to carry out the intent of this Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

INSTITUTO NACIONAL DE BELLAS ARTES Y LITERATURA (INBA).

By: _____

General Sub Director of Administration and Legal Representative

By: _____

Authorizes

Authorizes

By: _____

Director of the National Center for Conservation and Registration of the National Patrimony Proposes

By: _____

Director of Legal Matters
Elaborates and reviews

TREASURE ISLAND DEVELOPMENT AUTHORITY

By: _____

Mirian Saez, Director of Island Operations

FINE ARTS MUSEUMS OF SAN FRANCISCO (Fiscal Sponsor and Grantee of General Sub Director of Fine Arts Field Fund)

By: _____

John E. Buchanan, Jr.,
Director of Museums

Approved as to Form:

DENNIS J. HERRERA
City Attorney

By: _____
Deputy City Attorney

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AGENDA ITEM 8 (j, k & l)
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: **Resolution Supporting State Legislation Regarding Yerba Buena Island Ramps, SB 163 (Migden)** (*Action Item*)

Resolution Supporting State Legislation to Amend the Treasure Island Public Trust Exchange Act (SB1873, Burton, 2004) (*Action Item*)

Resolution Supporting State Legislation to Authorize the Formation of the Treasure Island Transportation Management Agency (*Action Item*)

Contact Michael Cohen, Director of Base Reuse and Development
Kyri McClellan, Project Manager, Base Reuse and Development

Phone (415) 554-6969

BACKGROUND

Staff is pursing three pieces of state legislation pertaining to Treasure Island in the current legislative session that are necessary to successfully implement the plan and programs reflected in the Development Plan and Term Sheet for the redevelopment of Naval Station Treasure Island ("Development Plan"). Support from the Treasure Island Development Authority for these pieces of legislation is integral as the bill is reviewed and passes through the legislative process and staff is seeking formal support for the legislation, to be reflected via support letters from TIDA. Each piece of legislation is discussed below.

1. SB 163: Transfer of the Yerba Buena Island (YBI) ramps from the United States Navy to the State. Last year the Authority supported SB 1841 (Migden), legislation that allowed for the transfer of the on and off-ramps, on the eastern side of YBI, into the state highway system when they are conveyed out of federal ownership. The ownership issue is central to the replacement program for the ramps. SB 1841 died in the legislature due to questions about how the replacement of the ramps would be funded.
In November voters passed state infrastructure bonds that would provide a potential funding source for this project.

   This year's bill includes all the substantive elements of SB 1841, including a requirement for the California Transportation Commission to make findings approving the transfer. We have added language that emphasizes the timeliness of this project given the work and planning underway on the Eastern Span Seismic Safety Project (ESSSP). Working with Caltrans to coordinate the ESSSP and ramps projects is intended to avoid any cost

over runs or delays to the ESSSP project. Additionally, in this bill the project study report (PSR) is required to be completed by December 31, 2008 – in fact we expect completion of the PSR this summer. Completion of the PSR is key in coordinating with the ESSSP project.

Related to this bill, staff is working on the funding solution for the ramps replacement. Staff had a meeting with Caltrans Director Will Kempton on this specific issue in December and continues to work in partnership with Senators Perata and Migden.

A draft letter of support on behalf of the Authority Board to Senator Migden is attached as Exhibit A. The City's State Legislative Committee has already adopted a support position on this bill.

2. State Lands Trust Exchange:
A tidelands trust exchange is necessary to support any redevelopment on Treasure Island. SB 1873 (Burton, 2004, "Treasure Island Public Trust Exchange Act") authorized an exchange of state "trust" lands from portions of Treasure Island on to portions of Yerba Buena island. The map attached to SB 1873 was based on an initial proposed development plan. The Trust Exchange Act and map need to be made current and consistent with the endorsed Development Plan. Specifically, this legislation provides a current and consistent map and strikes out sections of the Act that are no longer relevant, such as language related to the location of the proposed/future ferry terminal on the western shore.

Staff has been working with the State Lands Commission staff and has their support for these Act amendments. The City's State Legislative Committee is scheduled to consider supporting this bill later this month. Senator Migden is expected to carry this legislation.

3. Treasure Island Transportation Management District
The innovative transportation program proposed for the future of Treasure Island includes a system of comprehensive incentives to utilize public transit and disincentives for automobile use. Key objectives of the transportation program are to: minimize impacts on the regional highway system, and specifically the Bay Bridge; foster a transit-, pedestrian- and bicycle-oriented lifestyle; and, establish a program that can be financially self-sufficient. Several mechanisms have been proposed to achieve these goals including levying of a congestion pricing fee for autos traveling on or off the Islands during peak periods, establishment and collection of parking revenues, establishment of a mandatory transit pass program for residents and certain commercial users, in addition to other best practices in transportation planning.

It is envisioned that a transportation management district would be created with specific oversight of Treasure Island transportation issues and with the authority to implement the aforementioned programs. The proceeds of the programs will establish a reliable source

of funding to subsidize public transit (ferries, buses and other programs) serving the island. It has been determined that the preferred mechanism for obtaining the authority to implement these programs and creation of such a district is via state legislation.

Obtaining this authorizing legislation now is important to establishing the authority to implement the transportation programs planned and advance the ongoing planning. In addition, the authorizing legislation will support the project-specific environmental review under CEQA with respect to transportation analysis. The legislation will not specify the governance structure for the district, which will be subject to final approval by the Board of Supervisors as part of the final development agreements.

The City's State Legislative Committee is scheduled to consider supporting this bill later this month. Staff is working with the city's state lobbyist to identify an author for this bill.

RECOMMENDATION

Staff recommends adopting support positions for SB 163, as well as the trust exchange and the transportation management district bills, and authorizing staff to send letters indicating the Authority's support to the appropriate state legislative authors and committees.

EXHIBITS

A Draft Letter from Authority Board Supporting SB 163 (Item 8-j)

B Draft Letter in support of Trust Exchange legislation (Item 8-k)

C Draft Letter in support of Transportation Management District legislation (Item 8-l)

[Supporting Senate Bill 163 Regarding Yerba Buena Island Ramps.]

Resolution Supporting State Legislation Regarding Yerba Buena Island Ramps, SB 163 (Migden).

WHEREAS, Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America ("the Federal Government"); and,

WHEREAS, Treasure Island was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, In 1995, the General Services Administration and the Bureau of Land Management determined that Yerba Buena Island was surplus to the Federal Government's needs and could be transferred to the administrative jurisdiction of the Department of Defense under the Base Closure and Realignment Act of 1990 and disposed of together with Treasure Island; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Authority

as a redevelopment agency under California Redevelopment Law (Sections 33000 et seq. of the Health and Safety Code) with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency for Treasure Island in 1997; and,

WHEREAS, Currently the United States Navy owns the on- and off-ramp connections to Yerba Buena Island from Interstate 80, the San Francisco-Oakland Bay Bridge, and because Federal law prohibits the Navy from "improving" surplus property, the Navy cannot repair or replace the ramps as part of the transfer of the Base property to the Authority; and,

WHEREAS, The Authority is not the appropriate future owner/operator of the ramp connections to Interstate 80, and accordingly, staff has pursued state legislation to cause ownership of the ramps connecting the eastern-side of Yerba Buena Island to Interstate 80 on the Bay Bridge to reside with the California Department of Transportation ("Caltrans") after the ramps are conveyed out of federal ownership; and,

WHEREAS, State Senator Carole Migden has introduced Senate Bill 163 to transfer ownership of the ramps to the State; and,

WHEREAS, Senate Bill 163 also provides for the development of a Project Study Report ("PSR"), which will identify the best design for four new ramp connections from the new eastern span to Yerba Buena Island; and,

WHEREAS, The PSR is scheduled to be completed in Summer 2007 so that the new ramps designs can be incorporated into the new Eastern-Span Replacement Project for the Bridge; and,

WHEREAS, the Board of Directors wishes to express its support of Senate Bill 163; now, therefore, be it

RESOLVED, That the Board of Directors hereby expresses its support for the passage of Senate Bill 163; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes staff to prepare and send a letter on behalf of this Board to the appropriate State legislators supporting the passage of Senate Bill 163.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on February 14, 2007.

_____
John Elberling
Secretary

CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
410 AVENUE OF THE PALMS,
BLDG. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

GAVIN NEWSOM, MAYOR

February 15, 2007

The Honorable Carole Migden
State Senate
State Capitol, Room 5114
Sacramento, CA 95814

RE: SB 163 (Migden) – Yerba Buena Island Ramp Connections -- **SUPPORT**

Dear Senator Migden,

The Treasure Island Development Authority (TIDA) voted to support SB 163 at its February 14, 2007 meeting. On behalf of the Authority, we are sincerely grateful for your continued leadership on this important issue. Transferring the ramps to the state highway system and replacing them with safe connections to the Bay Bridge are a top priority for the Authority and city.

As you know, currently the Navy owns portions of Yerba Buena and Treasure Islands, along with the ramps on and off the Bay Bridge (State Highway Route 80). Within the next 12-24 months the Navy is expected to begin transferring ownership of its property to TIDA. For the last decade, the City and County of San Francisco, TIDA, the Navy and Caltrans and have worked to create a smooth transition of ownership of the ramps to the State, since these ramps are the only highway access routes in the state that are currently not owned and operated by the State.

The TIDA has tirelessly been focused on the redevelopment vision and plan for the islands. With the Board of Supervisors endorsement of a redevelopment plan for Treasure Island in December we are optimistic that conveyance from the Navy of the ramps and other key parcels of property will occur in the near term. Existing and future residents, as well as the general traveling public, expect and deserve safe on and off ramps from Interstate 80. SB 163, the vehicle for adding the ramps to the State Highway System, will ensure the ramps meet state safety standards.

Again, on behalf of TIDA, we sincerely appreciate your authorship of this important legislation.

Sincerely,

Claudine Cheng, President
TIDA Board of Directors

RECYCLED PAPER

[Supporting State Legislation to Amend the Treasure Island Public Trust Exchange Act.]

Resolution Supporting State Legislation to Amend the Treasure Island Public Trust Exchange Act (SB1873, Burton, 2004).

WHEREAS, Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America ("the Federal Government"); and,

WHEREAS, Treasure Island was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, In 1994, a Citizen's Reuse Committee ("CRC"), representing a broad spectrum of community interests, was formed to: (i) review reuse planning efforts regarding the Base by the San Francisco Planning Department and the San Francisco Redevelopment Agency; and (ii) make recommendations to the City's Planning Commission and Board of Supervisors; and,

WHEREAS, In July 1996, after an extensive community planning effort, a draft reuse plan for the Base (the "Reuse Plan") was unanimously endorsed by the Mayor, the Board of Supervisors, the Planning Commission and the CRC; and,

WHEREAS, One of the key recommendations of the reuse planning process was the creation of a special, single-purpose authority to oversee the redevelopment of Treasure Island, and thus, under the Treasure Island Conversion Act of 1997, the California Legislature (i) designated the Treasure Island Development Authority (the "Authority") as a redevelopment agency under California redevelopment law with authority over the Base, and (ii) with respect to those portions of the Base which are subject to the public trust for

commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, The Reuse Plan recognized the need to address the issue of the Tidelands Trust at the Base and how new development would account for and comply with the Tidelands Trust; and,

WHEREAS, The Authority worked collaboratively with staff of the State Lands Commission ("SLC") to prepare Senate Bill 1873, sponsored by Senator Burton and authorizing a Tidelands Trust Exchange on Treasure and Yerba Buena Islands, which was approved by the State legislature and signed by the Governor on September 15, 2004 (the "Tidelands Trust Exchange Act"); and,

WHEREAS, The Tidelands Trust Exchange Act included an Exchange Map that was based on an initial development plan for the Base; and,

WHEREAS, Since the passage of the Tidelands Trust Exchange Act, substantial progress has been made on the development planning for the Base through an extensive public planning process that involved the Treasure Island/Yerba Buena Island Citizen's Advisory Board (the "TI/YBI CAB"), the Authority Board of Directors, the Board of Supervisors and other public forums; and,

WHEREAS, The public planning process culminated with the endorsement of the Development Plan and Term Sheet for the Redevelopment of Naval Station Treasure Island (the "Development Plan and Term Sheet") by the TI/YBI CAB, the Authority Board of Directors and the Board of Supervisors in the Fall of 2006; and,

WHEREAS, Staff is initiating legislation to amend the Tidelands Trust Exchange Act and the Exchange Map to update them and make them consistent with the Development Plan and Term Sheet, and,

WHEREAS, The Tidelands Trust Exchange Act's requirement that the lands placed in the Tidelands Trust on Yerba Buena Island must have equal or greater value than the lands removed from the Tidelands Trust on Treasure Island will continue to apply and this determination will be made through an appraisal process being conducted by the Authority in conjunction with the SLC staff; and,

WHEREAS, Authority staff intends to work with SLC staff to prepare the revised Exchange Map and revise the Tidelands Trust Exchange Act as necessary to support the exchange; and,

WHEREAS, The Board of Directors wishes to express its support for legislation amending the Tidelands Trust Exchange Act and the Exchange Map to make them consistent with the Development Plan and Term Sheet; now, therefore, be it

RESOLVED, That the Board of Directors hereby expresses its support for the passage of legislation amending the Tidelands Trust Exchange Act and the Exchange Map to be consistent with the Development Plan and Term Sheet; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes staff to prepare and send a letter on behalf of this Board to the appropriate State legislators supporting the passage of legislation amending the Tidelands Trust Exchange Act and the Exchange Map.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on February 14, 2007.

_____
John Elberling
Secretary

CITY & COUNTY OF SAN FRANCISCO

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GAVIN NEWSOM, MAYOR

DRAFT Letter of Support

RE: SB XXX (Migden) – Treasure Island Trust Exchange-- **SUPPORT**

Dear ,

The Treasure Island Development Authority (TIDA) voted at its February 15, 2007 meeting to support legislation amending the "Treasure Island Public Trust Exchange Act" (SB 1873, Burton). A tidelands trust exchange is necessary to support any redevelopment on Treasure Island. Since the passage of SB 1873 in 2004 there has been an extensive public planning process via the Treasure Island Citizens Advisory Board, the Treasure Island Development Authority, the San Francisco Board of Supervisors, and other public forums. The planning process culminated with the endorsement of a Development Plan by the Board of Supervisors in December 2006, which included a revised land use plan.

The Trust Exchange Act authorizes an exchange of state "trust" lands from portions of Treasure Island on to portions of Yerba Buena island. The map referenced in the Act was based on an initial proposed development plan. The Trust Exchange Act and map need to be made current and consistent with the endorsed Development Plan. This legislation achieves this objective.

On behalf of TIDA, we sincerely appreciate your consideration and support for this legislation.

Sincerely,

Claudine Cheng, President
TIDA Board of Directors

RECYCLED PAPER

[Supporting State Legislation to Authorize the Formation of the Treasure Island Transportation Management Agency.]

Resolution Supporting State Legislation to Authorize the Formation of the Treasure Island Transportation Management Agency.

WHEREAS, Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America ("the Federal Government"); and,

WHEREAS, Treasure Island was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, In 1994, a Citizen's Reuse Committee ("CRC"), representing a broad spectrum of community interests, was formed to: (i) review reuse planning efforts regarding the Base by the San Francisco Planning Department and the San Francisco Redevelopment Agency; and (ii) make recommendations to the City's Planning Commission and Board of Supervisors; and,

WHEREAS, In July 1996, after an extensive community planning effort, a draft reuse plan for the Base (the "Reuse Plan") was unanimously endorsed by the Mayor, the Board of Supervisors, the Planning Commission and the CRC; and,

WHEREAS, One of the key recommendations of the reuse planning process was the creation of a special, single-purpose authority to oversee the redevelopment of Treasure Island, and thus, under the Treasure Island Conversion Act of 1997, the California Legislature (i) designated the Treasure Island Development Authority (the "Authority") as a redevelopment agency under California redevelopment law with authority over the Base, and

(ii) with respect to those portions of the Base which are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, A key recommendation from the reuse planning process was that, because the redevelopment of the Base will require extensive coordination and large investments for new infrastructure and to address extraordinary transportation and seismic constraints, the Authority should pursue the redevelopment effort through a public/private partnership with a "Primary Developer" of the Base; and,

WHEREAS, On March 20, 2003, after a Request for Qualifications/Request for Proposals process, the Authority Board of Directors authorized the Authority's Executive Director to enter into exclusive negotiations with Treasure Island Community Development, LLC, ("TICD") regarding the redevelopment of the Base; and,

WHEREAS, Substantial progress has been made on the development planning for the Base through an extensive public planning process that involved the Treasure Island/Yerba Buena Island Citizen's Advisory Board (the "TI/YBI CAB"), the Authority Board of Directors, the Board of Supervisors and other public forums; and,

WHEREAS, The public planning process culminated with the endorsement of the Development Plan and Term Sheet for the Redevelopment of Naval Station Treasure Island between the Authority and TICD (the "Development Plan and Term Sheet") by the TI/YBI CAB, the Authority Board of Directors and the Board of Supervisors in the Fall of 2006; and,

WHEREAS, The proposed development program for the Base includes an unprecedented and sustainable transportation program that prioritizes walking, biking and use of public transit, specifically ferries and buses, rather than automobiles, through a system of comprehensive incentives to utilize public transit and disincentives for automobile use; and,

WHEREAS, The Board of Supervisors' endorsement of the Development Plan and Term Sheet was conditioned on a requirement that the Authority obtain State legislation that provides the necessary authority to establish a Treasure Island Transportation Management Agency with the authority to implement the transportation management programs described in the Development Plan and Term Sheet, including the imposition of a congestion pricing fee, the setting and collecting of parking fees, and the establishment of a mandatory transit pass program; and,

WHEREAS, The proceeds of the transportation programs will establish a reliable source of funding to subsidize public transit for Treasure Island; and,

WHEREAS, Authority staff is initiating State legislation that provides the necessary authority to establish the Treasure Island Transportation Management Agency, subject to the Authority Board's and the Board of Supervisors' approval of the authority and structure of the Treasure Island Transportation Management Agency; and,

WHEREAS, The Board of Directors wishes to express its support for State legislation that provides the necessary authority to establish the Treasure Island Transportation Management Agency; now, therefore, be it

RESOLVED, That the Board of Directors hereby expresses its support for the passage of State legislation that provides the necessary authority to establish the Treasure Island Transportation Management Agency; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes staff to prepare and send a letter on behalf of this Board to the appropriate State legislators supporting the passage of legislation State legislation that provides the necessary authority to establish the Treasure Island Transportation Management Agency.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on February 14, 2007.

_____
John Elberling
Secretary

CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
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GAVIN NEWSOM, MAYOR

DRAFT Letter of Support

RE: SB XXX (Migden) – Treasure Island Transportation Management District-- **SUPPORT**

Dear ,

The Treasure Island Development Authority (TIDA) voted at its February 15, 2007 meeting to support state legislation authorizing the creation of a Treasure Island-specific Transportation Management District (the "District"). In December of 2006 the San Francisco Board of Supervisors endorsed a Development Plan and Term Sheet for the Redevelopment of Naval Station Treasure Island. A keystone of that Development Plan is an innovative transportation program that includes a system of comprehensive incentives to utilize public transit and disincentives for automobile use.

Key objectives of the proposed Treasure Island transportation program are to: minimize impacts on the regional highway system, and specifically the Bay Bridge; foster a transit-, pedestrian- and bicycle-oriented lifestyle; and, establish a program that can be financially self-sufficient. Several mechanisms have been proposed to achieve these goals including levying of a congestion pricing fee for autos traveling on or off the Islands during peak periods, establishment and collection of parking revenues, establishment of a mandatory transit pass program for residents and certain commercial users, in addition to other best practices in transportation planning.

The District would be created with specific oversight of Treasure Island transportation issues and with the authority to implement the aforementioned programs. The proceeds of the programs will establish a reliable source of funding to subsidize public transit (ferries, buses and other programs) serving the island. The legislation does not specify the governance structure for the District, which will be subject to final approval by the Board of Supervisors as part of the final development agreements. TIDA and the City are working closely with the San Francisco Transportation Authority on the development of the transportation program.

On behalf of TIDA, we sincerely appreciate your consideration and support for this legislation.

Sincerely,

Claudine Cheng, President
TIDA Board of Directors

RECYCLED PAPER

AGENDA ITEM 9
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: Resolution Establishing a Rental Policy for Special Events on Treasure Island and Adopting an Event Venue Rate Schedule (*Action Item*)

Contact: Mirian Saez, Director of Island Operations
Phone: 415-274-0660

BACKGROUND

An informational item was presented to the Treasure Island Development Authority (Authority Board) on January 10, 2007. Comments and inquiries raised by the Authority Board and by the public were considered while developing the final Rental Policy for Special Events and are addressed below.

The Treasure Island Development Authority manages a variety of Event Venues on Treasure Island and Yerba Buena Island which are used for private and public events throughout the year. While many policies and procedures for the administration of special events have been in practice over the last nine years, no formal compilation of such has been established.

The Director of Island Operations and Project Staff have determined that the establishment of a Rental Policy for Special Events is essential to provide a consistent and transparent tool for the management of event rentals, as well as to ensure the continued success of events on the Island. The goal of establishing this Rental Policy for Special Events is to construct a comprehensive structure by which to impartially and effectively execute Use Permits.

All policies and procedures for special event rentals have been consolidated into one efficient and functional Rental Policy for Special Events, attached as Exhibit A. The framework of the policy breaks down the rental rates into various classifications. The three main classifications of Event Venue Rates are: Standard, Holiday, and Non-Profit rates. Several sub-classifications: Off-Peak Rates, Military Discount Rates, Negotiated Rates, At-Cost Rates, and Waiver of Standard Rates, have been developed to address a range of categories which do not conform to the standard structure.

The establishment of Negotiated, At-Cost, and Waived Rates will provide the Director of Island Operations the ability to expeditiously and efficiently accommodate atypical events so to as provide service to the Island community without such requests proving burdensome on staff time and resources. The Rental Policy mandates that the Director report on negotiated or waived rate

considerations to the Authority Board, on no less than a quarterly basis, as well as to maintain a threshold by which considerations are given, thus insuring the integrity of such transactions.

The remaining portion of the Rental Policy incorporates Additional Hour Fees, Set-up and Breakdown Fees, and Rehearsal Fees, all of which make up the common variables requested for venue rental. Additional requirements which complete the Rental Policy are: the Security Deposit, with the subsequent Cancellation and Changes Policy, the provision requiring any applicable City permits, and the stipulation of General Liability Insurance.

MARKET RATE COMPARABLES

In addition to the need of a Rental Policy for Special Events, the Event Venue Rate Schedule has been long overdue for review of congruity with competitive rates in the market. Using printed media, online media, and direct communication, Project Staff has performed a market survey of comparable venues in the Bay Area and has resolved that the majority of venue rates are within the average range, while two of the venues, the Chapel and Casa de la Vista, could withstand an increase in rental rates.

An exercise examining the market median and mean rates led Project Staff to determine that the Rate Schedule for both Casa de la Vista and the Chapel should be increased. The proposed Event Venue Rate Schedule, with adjusted rates to bring the venues to a competitive market rate, is attached as Exhibit B and shall be effective March 1, 2007. Going forward, the Event Venue Rate Schedule shall be reviewed on an annual basis to ensure that the venues stay competitive in the market and consistently generate revenue.

HIGHLIGHT OF CHANGES

During the process of compiling information to establish the Rental Policy for Special Events, many components had to be thoroughly examined so that any redundancy and discrepancies were resolved. A number of changes to the Rental Policy have occurred since its first presentation to the Board.

1. The categories of Discounted Rates and Reduction or Waiver of Standard Rates have been consolidated, with the Waiver of Standard Rates having been separated into its own category and Discounted Rates reclassified as Negotiated Rates. This assemblage of rates is a clearer and more concise reflection of the needs inherent of the Rental Policy.

2. While examining the market, Project Staff recognized that the low influx of holiday event use of the venues can be addressed by maintaining the Standard Rates year-round so as to present a price advantage in the market. Thus, Project Staff has decided to discontinue the Holiday Rate until such time that the demand for the space during the holidays allows for the increase. Thus, the Holiday Rate classification will remain in the Rental Policy, but will be removed from the Event Venue Rate Schedule. The implementation of the Holiday Rate can be considered each year, during the annual review of rates.

3. The threshold set by which the Director of Island Operations is allowed to waive or discount rates without seeking approval from the Authority Board has increased from $1,000 to $5,000.

The need to increase the threshold became evident through the process of considering what types of instances to which it would apply and upon the finalization of the newly adjusted Event Venue Rate Schedule.

4. In response to the large number of inquiries Project Staff consistently receives regarding discounts for military personnel, a Military Discount Rate has been added. This discount offers a 10% reduction from the Standard Rate and is available for active members of the military and all veterans. Eligibility requirements are currently being compiled by Project Staff.

COMMENTS ADDRESSED

Four comments were raised after the initial presentation of the Rental Policy for Special Events and the Event Venue Rate Schedule. These comments are addressed below:

1. Director Rosen sought clarification between the Discounted Rates classification and the Reduction or Waiver of Standard Rates classification. These two classifications have now been integrated into new separate categories of Negotiated Rates and Waiver of Standard Rates. By dividing these categories, the Rental Policy presents a more succinct differentiation as to what types of events fit into each category.

2. Director Elberling's question referred to the At-Cost Rate and sought the actual cost to provide a facility for use. While Project Staff is continuing to compile cost information from various departments handling maintenance and service to the venues, the estimated actual costs of three venues are: $685 for use of Casa de la Vista; $337 for use of the Chapel; and $572 for use of the Building 1 Lobby.

3. Public comment was received calling for Project Staff to implement a recycling program for events on Treasure Island. Project Staff has contacted SF Environment and requested sample language to be inserted into the boilerplate Use Permit which will require event producers to take measures to reduce waste and increase recycling when using Treasure Island's venues. SF Environment is also gathering information to provide Project Staff the proper materials to incorporate into the Use Permit.

4. Public comment was received suggesting that the original value of $1,000 for the threshold by which the Director of Island Operations would have to take a discount or waiver request to the Authority Board for approval was too low. This comment was taken into consideration by Project Staff and was found to be accurate, as many of the rental fees for venues are $3,000 or more. This input, in corroboration with Project Staff's research, led to an increase in the threshold to $5,000.

RECOMMENDATION

Project Staff recommends approval of both the Rental Policy and the Event Venue Rate Schedule to allow the Director of Island Operations to enter into Use Permit agreements for rental of venues based on the established Rental Policy for Special Events and Event Venue Rate Schedule.

EXHIBITS

Exhibit A: Rental Policy for Special Events
Exhibit B: Event Venue Rate Schedule-Proposed-March 2007

Prepared by: Lori Mazzola, Event Coordinator
For Mirian Saez, Director of Island Operations

[Resolution to establish a Rental Policy for Special Events on Treasure Island and to adopt an Event Venue Rate Schedule.]

Resolution Establishing a Rental Policy for Special Events on Treasure Island and Adpoting an Event Venue Rate Schedule.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America ("the Federal Government"); and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510. and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under the California Redevelopment Law with authority over the Base upon approval of the City's Board of Supervisors. and (ii) with respect to those portions of the Base which are subject to Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property: and.

WHEREAS, The Treasure Island Development Authority manages multiple event venues on Treasure Island and Yerba Buena Island; and,

WHEREAS, Each venue is available for rent by the public at competitive rates that have been established as a result of market surveys; and,

WHEREAS, All policies and procedures for special event rentals have been consolidated into one efficient and functional Rental Policy for Special Events; and,

WHEREAS, This Policy and Rate Schedule will allow the Director of Island Operations to consistently and expeditiously enter into Use Permit agreements for use of the event venues on Treasure Island and Yerba Buena Island; now therefore be it

RESOLVED, The establishment of a Rental Policy for Special Events is essential to provide a consistent and transparent tool for the management of event rentals, as well as to ensure the continued success of events on the Island; and be it

FURTHER RESOLVED, That the Authority hereby establishes a Rental Policy for Special Events on Treasure Island and adopts an Event Venue Rate Schedule in substantially the forms attached hereto as Exhibit A.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at the Properly noticed meeting on February 14, 2007.

_____

John Elberling, Secretary

TREASURE ISLAND DEVELOPMENT AUTHORITY

EXHIBIT A

RENTAL POLICY FOR SPECIAL EVENTS

The Rental Policy applies to any use of facilities on Treasure Island and Yerba Buena Island for special events. Special events are defined as gatherings of two or more persons for reserved use, public or private, of indoor or outdoor facilities, which include, but are not limited to:

- Weddings and Domestic Ceremonies; Bar & Bat Mitzvahs; Graduation, Anniversary, and Birthday Parties
- Picnics, Motorcycle Rides, and Marching Band practices
- All Sports and Athletic practices, games, and tournaments
- Corporate events: meetings, conferences, luncheons, dinners, auctions, cocktail parties, holiday events
- Fundraising walks, Triathlons, Bike Races, and water-related sports events
- School dances, art exhibits, and trade shows
- Any public festivals, concerts, musical performances, and open air markets
- City sponsored events

The Rental Policy applies to all applicants, without discrimination with regard to race, color, creed, religion, ethnicity, national origin, ancestry, age, sex, gender identity, sexual orientation, domestic partner status, marital status, HIV status, political affiliation, disability, weight, height, or any other designations prohibited by law.

I. RENTAL RATE CLASSIFICATIONS

The Event Venue Rate Schedule includes standard rates for all use, holiday rates for use of facilities on all major holidays, and non-profit rates for those entities with a 501(c)(3) status. Off peak rates for the Chapel are available during less desirable rental periods. A military discount is available to all active military personnel and all veterans. See Exhibit A for the Event Venue Rate Schedule.

A. STANDARD RATES

The standard rates apply to the rental of each venue and include a definitive length of time for each rental period.

B. HOLIDAY RATES

The holiday rates apply to the rental of venues on all major holidays and during the month of December, and incur a 20% increase from the standard rates. This increase in rates reflects the high demand for event space on and around major holidays.

Holiday rates apply on the following dates:
- February 14
- March 17

- Easter Sunday
- Memorial Day
- July 4
- Labor Day
- October 31
- Thanksgiving Day
- The month of December

C. NON-PROFIT RATES

The non-profit rates, which are a 20% reduction from the standard rates, apply only to those entities with 501(c)(3) status. This reduction in rates proposes to accommodate non-profit entities with generally lower budgets for events and fundraisers.

Those entities requesting approval of the non-profit rate must submit a letter from the nonprofit organization stating that the proposed use of the Treasure Island facilities is in furtherance of the nonprofit organization's purpose and mission for which it obtained tax exemption under Section 501(c)(3) of the United States Internal Revenue Code. A copy of the Internal Revenue Service's written determination that the applicant nonprofit is exempt from taxation under Section 501(c)(3) of the United States Internal Revenue Code is required.

D. OFF-PEAK RATES

Off-peak rates apply to the rental of the Chapel at the hours and days specified below to accommodate the numerous requests for use of the Chapel for Bible study and religious services:

Monday, Tuesday, and Wednesday: at any time
Sunday: from 8:00AM to 12:00PM

The off-peak rate is offered per hour, with a three hour minimum.

E: MILITARY DISCOUNT RATES

To accommodate the large number of inquiries for military personnel discounts, a 10% discount is available for active members of the military and all veterans.

F. NEGOTIATED RATES

While the Event Venue Rate Schedule, Exhibit A, gives structure to the most common use and application of venues on Treasure Island, such as weddings, picnics, and parties, a variety of miscellaneous use is frequently requested of Project Staff. Many applications received for use of space or facilities cannot fit into the structured framework by which the majority of events typically produced on Treasure Island can adhere.

Rental rates will often need adjustment based on a variety of atypical circumstances such as press conferences, outdoor festivals, and races or walks utilizing streets and portions of the Island not regularly used. Often these types of considerations in cost can lead to the event producer choosing Treasure Island as an event site over another option.

In some cases, rental rates will call for adjustment so the use of space is not cost prohibitive to a prospective client. This is often the case involving multiple venue use and multiple day use. In these instances, the adjustment in rates may lead to a discount.

The Director of Island Operations shall evaluate any infrequent and atypical event proposals and shall decide what discounts will apply. The Director of Island Operations shall, on no less than a quarterly basis, report to the Authority Board on rental rate considerations granted as part of the Director's Report at regularly scheduled meetings.

G. AT-COST RATES

All available properties on Treasure Island and Yerba Buena Island that have been leased to the Treasure Island Development Authority by the United States Navy can be subleased to eligible organizations and entities on an At-Cost Rate. At-Cost refers to the calculated actual cost to provide the facility for use. Each venue will be assigned a predetermined At-Cost Rate based on calculations set forth below.

Calculation of At-Cost Rate:
At-Cost Rate is based on the actual cost of the following services.
-janitorial service to clean the venue before and after use
-garbage disposal and pick up from venue
-landscape services for upkeep around venue
-onsite event staff assignments
-building maintenance and service as provided by DPW
-cost of utilities as provided by PUC
-cost of Project Staff time and materials, including such cost of City Attorney's office, other City departments, contractor, or consultant, as necessary

Eligibility:
Organizations will be eligible to receive the At-Cost Rate only if the requested use is for the direct benefit of the residents, students, and tenants of Treasure Island. The At-Cost Rate will not apply to private events for individuals. A formal, detailed event proposal will be required for submittal, specifying the purpose and benefit of the use.

Eligible Organizations:
Treasure Island Development Authority (TIDA)
Departments of the City and County of San Francisco (CCSF)
State and Federal Government Agencies
Treasure Island Homeless Development Initiative (TIHDI)
Members of TIHDI including:
Boys & Girls Club
Catholic Charities
Community Housing Partnership
Haight Ashbury Free Clinics
Kidango
Swords to Plowshares
Waldenhouse
Rubicon Programs
Toolworks
Treasure Island Job Corps
Delancey Street-Life Learning Academy

Glide Memorial Methodist Church-Treasure Island
YMCA-Treasure Island
Treasure Island Community Associations
Including: Treasure Island Community Network (TICN)
San Francisco Islands' Community Association (SFICA)
Treasure Island Citizens' Advisory Board
San Francisco Little League
United States Navy-Caretaker Site Office (CSO)
Restoration Advisory Board (RAB)
John Stewart Company-Villages at Treasure Island

H. WAIVER OF STANDARD RATES

Frequently, Project Staff receives requests for a waiver of rental fees. These requests are proposed for various purposes, including the use of facilities for the purposes of public service or the direct benefit of Island residents. Examples include the Treasure Island Community Picnic, the Navy's RAB meetings for residents, and the Treasure Island Job Corps's use of the Chapel for a memorial service.

Organizations which meet the same eligibility requirements that are necessary to be considered for the At-Cost Rate, can be issued a Use Permit, which includes a wavier of rates, **only if no profit is generated from the event**.

The Director of Island Operations shall use his/her discretion to waive rental fees as appropriate for instances as they arise. The Director of Island Operations shall, on no less than a quarterly basis, report on any such rental rate waivers granted to the Authority Board as part of the Director's Report at each regularly scheduled meeting. The Director of Island Operations shall not waive Event Venue Rates in excess of $5,000 without the approval of the Authority Board.

II. ADDITIONAL FEES

Those events that are common and can conform to the structure that has been established for the rental process will often include event components that require additional rental time incorporated into a rental reservation. Therefore, additional fees are available to allow for such various circumstances.

A. EXTRA HOURS

Each event contains certain variables that may cause the need for hours of use outside of the standard base rental for each facility. Common variables that may require extra hours of use are elaborate décor designs, lighting installations, catering needs, tent installation and removal, and extensive clean up requirements. Thus, additional time is offered to meet these needs which can be purchased per hour.

The extra hours allow for individual events to modify the rental period so that the desired level of décor/set up can be achieved. This flexibility in price structure benefits those events that may require extra hours, as well as those that do not.

B. SET-UP AND BREAKDOWN DAY FEES

Often, an event décor design is so elaborate and extensive, that an entire day may be used for set up and/or breakdown of stages, tents, lighting, and exhibits. TIDA recognizes that many events involve pre-event and post-event activities such as these and therefore accommodates additional days at a lower rental fee than the actual event day itself. In the instance that a full day (equivalent to the base rental period of the facility) is required for set up or breakdown, 50% of the base Rate Schedule will be charged.

C. REHEARSALS

Weddings and domestic ceremonies often request use of a facility for a ceremony rehearsal. Thus, rehearsal requests are accommodated, per hour, at the standard Extra Hour Rate.

III. APPLICATION FOR EVENT

To initiate the rental process, an applicant or event sponsor must provide a clear and complete description of the proposed special event by completing a Facility Use Application.

Applicant must complete a Facility Use Application and submit a required deposit to the Project Office no later than 30 days prior to a proposed event date, and no sooner than 365 days prior to an event date.

The Facility Use Application is reviewed by Special Events staff in order to determine what additional permits or regulatory approvals may be necessary. Dates and venues are assessed for availability and suitability, and any and all additional requirements are clearly expressed to applicant. Once Application is found to be acceptable, venues and dates are booked, a written reservation confirmation is generated and sent to Permittee, and the security deposit is submitted for deposit.

IV. SECURITY DEPOSITS

A. SECURITY DEPOSIT REQUIREMENT

Applicants or event sponsors are required to submit a security deposit to accompany the Facility Use Application. The required deposit is 50% of the base Rate Schedule of the venue requested. This deposit is fully refundable and is required by the Treasure Island Development Authority to provide reasonable assurance that the facilities will be treated with care and that any damages will be repaired at the applicant's expense. Deposits will be refunded no later than 30 business days after the event, provided the facilities are left in the same condition in which they were rented.

Any organization requesting consideration for the At Cost Rate must follow all standard procedures for event rentals. A Facility Use Application must be completed and submitted with a minimum refundable deposit of $500. Additionally, a formal written proposal must be submitted with the application detailing the type of use and the benefit that will serve the Treasure Island community. All Rules and Regulations, Policies and Procedures set forth in the Event Application Packet will apply.

B. SECURITY DEPOSIT RETURN

Once the event has taken place, if no damage has occurred and no extra hours were used, then the full deposit is returned to the Permittee within thirty days after the event.

If any damage to the facility has occurred, the Special Events staff will notify the Permitee in writing and estimate the repair cost within 30 days of the event. The Special Events staff will refund the security deposit after receipts of the actual repair cost are provided and fees are deducted from the security deposit, no later than 60 days after the event date.

If the Permittee has occupied the venue for extended hours over those specified in the Use Permit, the standard extra hour fee is deducted from the security deposit. Extra hours are not prorated and any increment of extra time will automatically incur an extra hour charge.

C. CANCELLATIONS AND CHANGES POLICY

Cancellations, postponements, and changes of date or venue must be received in writing in order to receive a deposit refund. Any postponement of date or change of date or venue will be considered a cancellation of the current reservation and a request for a new reservation. Thus, the Cancellation and Changes Policy will apply to any request for postponement and/or change of date or venue.

The minimum cancellation fee is $250 per venue. Cancellations, postponements, or changes of date or venue, made fewer than 30 days prior to an event will receive no deposit refund.

Security deposits, less a cancellation fee, will be refunded if the Treasure Island Development Authority receives written notice of cancellation, postponement, or change of date or venue at least 30 days prior to the scheduled event. The minimum cancellation fee of $250 will apply to each venue. If notice of cancellation, postponement, or change of date or venue is received fewer than 150 days prior to the scheduled event, security deposits will be refunded according to the following schedule:

CANCELLATION, POSTPONEMENT, CHANGE OF DATE OR VENUE	CANCELLATION FEE	REFUND AMOUNT
(days before event)	**(percentage of deposit)**	**(percentage of deposit)**
150 days or more	$250	100% less $250
149-120 days	20%	80%
119-90 days	40%	60%
89-60 days	60%	40%
59-30 days	80%	20%
29 days and fewer	100%	0

V. SECURITY AND PERMITS

Any use of event facilities on Treasure Island will require that the user obtain any and all necessary and required permits or regulations from all applicable City departments: namely the San Francisco Police Department, the San Francisco Fire Department, and the San Francisco Health Department. The user shall furnish copies of all such permits to the Treasure Island Development Authority prior to the event.

The Permittee shall provide, at its expense, any and all additional security and police officers required for the event as determined by the San Francisco Police Department, as well as, any medical life safety personnel or vehicles during the hours of operation of the event, as determined necessary by the San Francisco Fire Department.

The Permitee shall obtain approval from the San Francisco Police Department for alcohol sales and must obtain a one day liquor license from the California Department of Alcoholic Beverage Control.

The approval and application of an At Cost Rate will not preclude the user from obtaining any necessary and required permit or regulation from City departments.

VI. GENERAL LIABILITY INSURANCE

The Treasure Island Development Authority requires that all persons or entities renting its facilities provide general liability insurance naming the *City and County of San Francisco, the Treasure Island Development Authority, their officers, agents, and employees*, as additional insured by endorsement. This coverage must meet the specifications stated in the Use Permit, and must encompass the entire length of rental, including all rehearsal, set-up, or break-down days.

Individuals hosting weddings, domestic ceremonies, and private events are required to purchase liability insurance coverage which will satisfy the insurance requirements set forth in the Use Permit.

TIDA has contracted with an insurance vendor and has secured reasonably priced "per event" liability insurance coverage. This allows individuals to purchase the required coverage through the TIDA office.

Any and all organizations approved for the At Cost Rate will be required to provide General Liability Insurance coverage that meets the requirements specified in the Use Permit. If the agency is self insured, written documentation of such self insurance is required.

VII. ANNUAL REVIEW OF RATES

The rates for each venue shall be reviewed annually, and adjusted as deemed necessary after a market survey. Any changes to the Event Venue Rate Schedule shall be presented to the Authority Board for adoption.

Drafted February 2007

AVERY ™ RECYCLED PAPER MADE FROM 20% POST-CONSUMER CONTENT

TREASURE ISLAND DEVELOPMENT AUTHORITY
EVENT VENUE RATE SCHEDULE

VENUE	RENTAL PERIOD	STANDARD RATE	NON-PROFIT RATE*
Admiral's Conference Room	per hour	$50	$40
Building 1 Lobby	8 hours	$3,000	$2,400
Casa de la Vista	8 hours	$3,350	$2,680
Chapel	3 hours	$650	$520
Chapel Off Peak Mon-Wed-8AM to 8PM Sunday-8AM to 12PM	per hour 3 hour minimum	$100	$100
Fogwatch Picnic Area	8 hours	$500	$400
The Great Lawn	24 hours	$2,000	$1,600
Sports Field	per hour	$25	$20
ADDITIONAL FEES			
General Liability Insurance	see fee scale below		
Wedding Rehearsal	per hour	$200	
Extra Hours	per hour	$200	
Set-Up/Breakdown Day	per rental period	50% Base Rental Fee	
Still Photo Shoot Permit**	per day	$500 minimum	
Film Permit**	per day	$1,500 minimum	

*NON-PROFIT RATES apply ONLY to those with 501C3 status

MILITARY DISCOUNT: Active Military and Veterans receive a %10 discount

**STILL PHOTO and FILM PERMITS require minimum five days advance notice for processing and do not apply to weddings

RATES EFFECTIVE 3/1/2007--SUBJECT TO CHANGE

GENERAL LIABILITY INSURANCE

NUMBER OF ATTENDEES	PREMIUM PER DAY CLASS ONE	PREMIUM PER DAY CLASS TWO
1 to 100	$50	$115
101 to 250	$75	$180
251 to 500	$95	$290
501 to 1,500	$215	$560
1,501 to 2,500	$300	$900

Class One events include meetings, exhibits, seminars, etc.

Class Two events include weddings, dances, picnic, exhibits, sports, etc.

AGENDA ITEM 10
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: **Resolution Approving the Expenditure of Funds Necessary to Redesign the Treasure Island Development Authority Website Based on the Initial Design and Layout Proposal Formulated by the Department of Reproduction and Mail Services** (*Action Item*)

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND

The Treasure Island Development Authority's website is currently hosted by the City's Department of Telecommunication and Information Services (DTIS). DTIS provides the Authority the domain address for the Authority's website (http://www.sfgov.org/treasureisland), stores all content and files posted on the site, and provides the bandwidth which allows the Authority's site to transmit information, such as development documents, from the site to the public via the Internet. This web server storage space and bandwidth are standard services provided by any Internet Service Provider (ISP) in support of hosting a website, be it a personal or commercial site. Graphic design of the current Authority site and content updating on the site are tasks both currently performed by Authority staff on a Microsoft Word-based desktop application (Ecktron Content Management 2000) provided by DTIS, with DTIS staff providing as-needed technical programming and design assistance involving any major restructuring of the website.

At its June 14th, 2006 meeting, the Authority Board directed staff to work with the City's Department of Reproduction and Mail Services Creative Services Division (Creative Services) to redesign the layout and structure of the Authority webpage as well as to take the technical steps necessary to implement these programming and design changes, including securing ISP services for the website. At this time, staff seeks feedback from the Authority Board on the general layout, design and functional components of the website as a whole and also requesting approval to proceed with Creative Services on redesign of the website based on this general attached design proposal and site map (Exhibit A). It is important to remember that the general content (text and pictures) on the webpage mock-ups included in this item are merely for sample design purposes and will be modified for accuracy and consistency prior to the website being available to the public. The site map document lays out the basic page structure navigation and structure of content within the site

Initially, Creative Services staff created a new overall design template, color scheme, font scheme and format to govern the website as a whole. Authority staff then worked with the

Creative Services staff to create a site map governing the distribution of content throughout the site. Factors that influenced the design and layout of the website included:

(1) Desire to effectively increase on-line promotion and marketing of the Authority's revenue-generating resources, specifically its events venue, commercial and residential leasing programs.

(2) Ease of accessibility to public documents and information regarding the transfer and redevelopment of Treasure and Yerba Buena Island.

(3) Historical usage data of page visits to the current Authority website.

(4) Ease of navigation to pertinent public documents and information concerning the Authority Board, Citizen Advisory Board, and the transfer and redevelopment planning process.

(5) Relative simplicity of design and movement throughout the site to allow for ease of access and navigation by members of the public accessing the internet at slower connection speeds.

(6) Site and artistic design reflecting the character of Treasure and Yerba Buena Islands.

Over the past several months, design and content drafts from Creative Services were submitted to Authority staff for internal review. Staff members with responsibilities in-line with various components of the website were asked to provide input and comment on both content and design, including the addition of new features and tools on the website such as downloadable documents and events calendars.

NEXT STEPS:

Pending Authority Board agreement with the process, an interdepartmental work-order will be established between the Authority and Creative Services. The one-time work of initial design and programming of the site is approximately $9,000, based on a quote provided by Creative Services (Exhibit B). On-going monthly hosting and maintenance fees are approximately $31.50 per month. Funding for this project will come from reprogrammed work order money allocated to "Other Non-Personnell Expenses". Pending approval by the Authority Board, Authority staff will work with Creative Services staff to finalize the content of the website on a page-by-page basis. The entire site design is then submitted for programming and testing prior to becoming a live site. In addition, the website and a majority of the data and files on the website will be removed from the DTIS data servers where it is currently housed and placed on the data servers of the Internet Service Provider contracted by Creative Services. Creative Services estimates that this site-building and data transfer process will take approximately 3 months. Authority staff's goal is to have the site live for the public by no later than June 1, 2007.

RECOMMENDATION:
Staff recommends approval of the expenditures for redesign of the Authority website as discussed above with the Department of Reproduction and Mail Services.

EXHIBITS:

A. January, 2007 design mock-ups of select pages from proposed redesign of the Treasure Island Development Authority website.

B. February, 2007 Website Redesign Project Estimate provided by the Department of Reproduction and Mail Services.

Prepared by Peter Summerville, Special Projects Director
For Mirian Saez, Director of Island Operations

[Redesign of the Treasure Island Development Authority Website]

Resolution Authorizing the Expenditure of Funds Necessary to Redesign the Treasure Island Development Authority Website Based on the Initial Design and Layout Proposal Formulated by the Department of Reproduction and Mail Services.

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under California Community Redevelopment Law (Sections 33000 et seq. of the California Health and Safety Code) with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency for the Base in 1998; and,

WHEREAS, Acting under prior direction from the Authority Board, Project Office staff has worked with the Department of Reproduction and Mail Services on the revision of the graphic design, layout, navigational structure and programming of the Authority website; and,

WHEREAS, This process will be enacted by the Department of Reproduction and Mail Services under a standard inter-departmental work order process with funding passing from the Authority to the Department of Reproduction and Mail Services; and,

WHEREAS, The revised website shall seek to aid the Authority in the marketing of its revenue generating venues and commercial spaces, allow for ease of public accessibility to public documents relating to the Authority Board, Citizen Advisory Board and the redevelopment planning process, and provide information on on-Island and community events and happenings; and,

WHEREAS, The Department of Reproduction and Mail Services have provided Project Office staff with a cost estimate of approximately nine thousand dollars for the one-time programming and graphic design necessary for a redesign and re-visioning of the Authority website from its current form as well as a cost estimate of approximately thirty one dollars and fifty cents per month for the monthly charges necessary to host the website and the website's data; now therefore be it

RESOLVED, That the Board of Directors of the Treasure Island Development Authority hereby directs Project Office staff to expend the funding necessary to effectuate the redesign of the Authority website through the Department of Reproduction and Mail Services in accordance with the design proposal provided by the Department of Reproduction and Mail Services.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on February 14, 2007.

_____

John Elberling, Secretary



Treasure Island Development Authority Site Map

JANUARY 2007 – REPROMAIL CREATIVE SERVICES

SFGov: Treasure Island Development Authority

http://www.treasureislandsf.org/

Google

TREASURE ISLAND
DEVELOPMENT AUTHORITY



- ABOUT TREASURE ISLAND
- COMMUNITY & VISITOR INFORMATION
- SPECIAL EVENTS
- COMMERCIAL LEASING
- ABOUT T.I. DEVELOPMENT AUTHORITY
- REDEVELOPMENT
- STAFF / CONTACT US

search our site

Search

welcome

The Treasure Island Development Authority (TIDA) is a non-profit, public benefit agency dedicated to the economic redevelopment of former Navel Station Treasure Island. The Authority is vested with the powers of a California Redevelopment agency as well as the rights to administer Tidelands trust property. TIDA also performs and administers vital municipal services for the residential and daytime population during the interim reuse of the former military base.

links

- SFgov.org
- Treasure Island Museum Association
- San Francisco Online Museum
- Treasure Island Yacht Club
- Golden Gate International Exposition
- SF Department of the Environment
- SFGate.com
- United States Navy

Board of Director's Meeting

Wednesday. October 4, 2006
7:00pm
Building 1 Conference Room

Advisory Board Potluck!

Friday, October 4, 2006
7:00pm
Building 1 Conference Room

12th Annual San Francisco Dragon Boat Festival

Saturday and Sunday, October 23-24. 2006
Clipper Cove

Come enjoy one of the largest Dragon Boat Festivals in the nation. Participants from throughout the Bay Area and beyond will compete in this fantastic family event. Bring your friends, neighbors, and your entire family.

Learn More





Planning an event?
From weddings to company parties, Treasure Island is the perfect venue for your special event.



Housing on the island.
One of the most unique places to live in San Francisco, Treasure Island offers a number of living options.



Commercial Leasing
There are several commercial buildings available for your business needs.

events

11/4	Board of Directors Meeting
11/11 - 11/12	Suspension Bridge Convention
11/23 - 11/24	23 Annual Treasure Island Thanksgiving Cookoff
11/13	Advisory Board Potluck!
11/31	Triathalon Planning Committee Meeting

calendar

November 2006

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12	13	14	15	16	17	18
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Treasure Island Development Authority Website
JANUARY 2007 - REPROMAIL CREATIVE SERVICES

Homepage

SFGov: Treasure Island Development Authority

http://www.treasureislandsf.org/

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- ABOUT TREASURE ISLAND
- COMMUNITY & VISITOR INFORMATION
- SPECIAL EVENTS
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- ABOUT T.I. DEVELOPMENT AUTHORITY
- REDEVELOPMENT
- STAFF / CONTACT US

Activities & Visitor Info
Living on Treasure Island
Filming on Treasure Island

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November 2006

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Treasure Island Development Authority Website
JANUARY 2007 – REPROMAIL CREATIVE SERVICES

Homepage with drop-down menu

SFGov: Treasure Island Development Authority

http://www.treasureislandsf.org/

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REDEVELOPMENT

This is some text about the redevelopment of former Naval Station Treasure Island. More text will follow, just wait for the signal from Peter Summerville. A greener vision of the future, this place will be a stupendous marvel of human ingenuity.

Transfer and Redevelopment of former Naval Station Treasure Island Public Information and Documents:

- → Master Development Submittals
- → Environmental Review
- → United States Navy Information & Reports

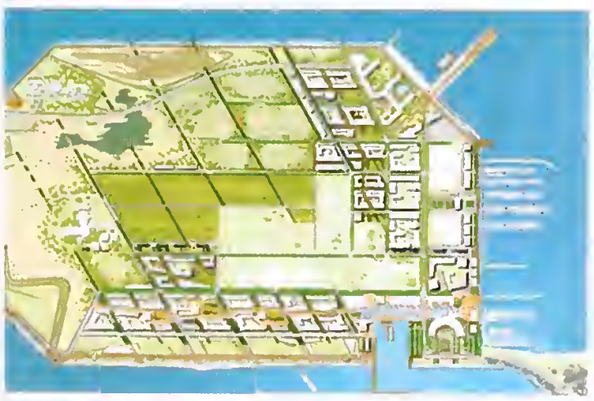
meetings

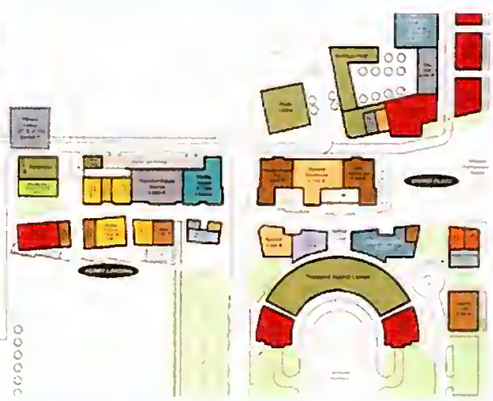
November 3, 2006
Advisory Board Meeting
6:30 pm
Building 1 Conference Room

November 10, 2006
Board of Director's Meeting
6:30 pm
Building 1 Conference Room

November 17, 2006
Advisory Board Meeting
6:30 pm
Building 1 Conference Room

November 24, 2006
Board of Director's Meeting
6:30 pm
Building 1 Conference Room





related topics

- → TIDA Board of Directors
- → Citizen's Advisory Board Agendas

Treasure Island Development Authority Website
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Redevelopment Page

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- United States Navy

REDEVELOPMENT

United States Navy Transfer and Clean-up Activities

The United States Navy has begun the transfer and clean-up activities to complete the transfer of Treasure Island to the City and County of San Francisco.

Transfer and Redevelopment of former Naval Station Treasure Island Public Information and Documents:

US Navy Record of Decision for the Disposal and Reuse of Naval Station Treasure Island - October 2005	**Download** (PDF, 400k)
Draft Finding of Suitability to Transfer for Property on Yerba Buena Island August 2005	
YBI Draft Finding of Suitability to Transfer (FOST) Document	**Download** (PDF, 400k)
FOST Supporting Tables	**Download** (PDF, 400k)
FOST Supporting Figures	**Download** (PDF, 400k)
Revised Draft Finding of Suitability to Transfer for Property on Treasure Island - July 2005	
TI Revised Draft Finding of Suitability to Transfer (FOST) Document	**Download** (PDF, 400k)
TI Revised Draft FOST Supporting Tables	**Download** (PDF, 400k)
TI Revised Draft FOST Supporting Figures	**Download** (PDF, 400k)

Naval Station Treasure Island Transfer and Cleanup Fact Sheets

US Navy Fact Sheet, Site 30 - June 2006	**Download** (PDF, 400k)
US Navy Fact Sheet - February 2006	**Download** (PDF, 400k)
US Navy Fact Sheet - January 2004	**Download** (PDF, 400k)
US Navy Fact Sheet, Site 13, Offshore Sediments, Treasure Island - March 26, 2004	**Download** (PDF, 400k)
US Navy Fact Sheet, Historical Radiological Assessment - November 15, 2004	**Download** (PDF, 400k)

more information

For questions regarding the Navy's environmental efforts on Treasure Island, please contact:

Mr. James B. Sullivan
Department of the Navy,
Base Realignment and Closure
Program Management
Office West
1455 Frazee Road, Suite 900
San Diego, CA 92108-4310

james.b.sullivan@navy.mil

related links

- → **United States Navy**
- → **Department of the Environment**

related topics

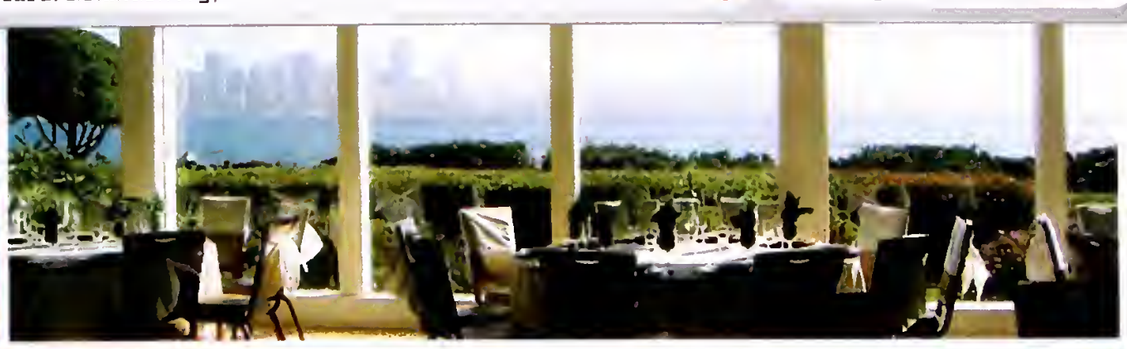
- → **TIDA Board of Directors**
- → **Citizen's Advisory Board Agendas**

SFGov: Treasure Island Development Authority

http://www.treasureislandsf.org/

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SPECIAL EVENTS

Main > Special Events

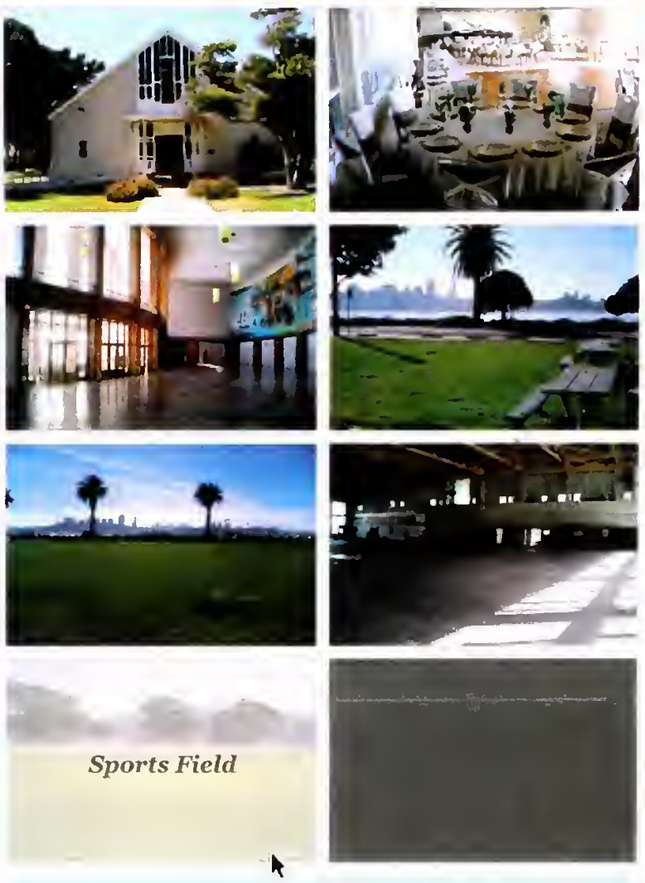
Welcome to the Treasure Island Special Events seetion. Many unique facilities are available for meetings, parties, weddings, athletie events, and other gatherings. Click on the venues to find deseriptions of the available facilities.

- Venue Tours
- Rates
- Booking
- Application
- Permits
- Frequently Asked Questions

To schedule a tour of any of the faeilities, please contact:

Lori Mazzola
Event Coordinator
Treasure Island Development Authority
415-274-0660 main
415-274-0312 direct
415-274-0299 fax

lori.mazolla@sfgov.org



special events

11/4	Board of Directors Meeting
11/11-11/12	Suspension Bridge Convention
11/16	Advisory Board Potluck!
11/19	Santiago Family Reunion
11/20	23 Annual Treasure Island Thanksgiving Cookoff
11/26	Triathalon Planning Committee Meeting

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- Golden Gate International Exposition
- SF Department of the Environment
- SFGate.com
- United States Navy

SPECIAL EVENTS Main > Special Events > Venues > Casa de la Vista

Casa de la Vista

Casa de la Vista, a former officer's club built in 1944, offers spectacular views of the San Francisco skyline and surrounding islands. With an outdoor patio. Casa de la Vista is a fabulous location for wedding receptions, private parties, and small meetings. This newly renovated facility is one of a kind!

Floorplan

View Floorplan
Download Floorplan (PDF, 400k)



Image 1 of 8 << Previous - Next >>

To schedule a tour, please contact:

Lori Mazzola,
Event Coordinator
415-274-0660 main
415-274-0312 direct
415-274-0299 fax
lori.mazzola@sfgov.org

Capacity:	180 seated / 300 standing
Parking:	75 spaces
Dance Floor:	Not provided, but required for dancing
Kitchen Facilities:	Yes
Additional Features:	24 Tables, 280 Chairs Full-service bar Karaoke machine 2 42-inch plasma screen televisions

availability

November 2006

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<< -=- >>

Please note: Availability subject to change.

Contact the TIDA staff to confirm the booking availability of the venue. We take great effort to ensure the accuracy of the website's calendars, however, events may change without notice and the best way to confirm a venue's most up-to-date status is through contacting our staff. We will be happy to answer any of your questions.

Lori Mazzola.
Event Coordinator
415-274-0660 main
415-274-0312 direct
415-274-0299 fax

Treasure Island Development Authority Website
JANUARY 2007 - REPROMAIL CREATIVE SERVICES

Special Events Venue Page

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- United States Navy

BOARD OF DIRECTORS

about the Board of Directors

The Treasure Island Development Authority (TIDA) Board of Directors is the seven-member governing body overseeing the redevelopment of Treasure Island. The Authority Board makes policy decisions critical to the future of Treasure Island, approves large contracts, approves TIDA's annual budget, and aets as both the redevelopment ageney and the trustee of the Tideland Trust for Treasure Island. All seven members are appointed by the Mayor, with certain seats approved by the City's Board of Supervisors who represents Supervisorial Distriet 6, in which Treasure Island and Yerba Buena Island are loeated, sits as an ex-officio, non-voting member of the TIDA Board.

→ Agendas & Minutes

→ Supporting Documents

TIDA Board of Directors meetings

Second Wednesday of Each Month
(unless otherwise noted)
1:30pm, San Franeiseo City Hall, Room 400

Director of Island Operations

Mirian Saez
Office of the City Administrator

→ Further Information / Contact

contact

Please send all communications to the TIDA Board to:

Treasure Island Development Authority
Board of Direetors
c/o Peter Summerville
410 Avenue of the Palms, Building 1, 2nd Floor
San Francisco, CA 94130
415-274-0660 phone
415-274-0299 fax

TIDA@sfgov.org

Jesse Blout
Director, Mayor's Office of Workforce & Economic Development

Jared Blumenfeld
Executive Director, San Francisco Department of the Environment

Claudine Cheng
President / Chair

Chris Daly
Supervisor, San Francisco District 6 (ex officio)

John Elberling
Chief Financial Officer

Matthew Franklin
Director, Mayor's Office of Housing

Marcia Rosen
Executive Director, San Francisco Redevelopment Agency

related topics

→ Redevelopment

→ Environmental Review

Treasure Island Development Authority Website
JANUARY 2007 – REPROMAIL CREATIVE SERVICES

Special Events Venue Page

AVERY™ RECYCLED PAPER MADE FROM 70% POST CONSUMER CONTENT

City & County of San Francisco
ReproMail: Creative Services
875 Stevenson Street, Room 125 • San Francisco, CA 94103 • +15.554.6456

TO: Peter Summerville, Treasure Island
FR: Scott Tyler, Creative Services
CC: Linda Zane, Creative Services Manager
DT: January 30, 2007
RE: Website design, programming, hosting, and development timeline

Web Site Structure & Development
Site map and page designs based on content provided:
Total Design 35-45 hours (price before tax): $2,572.50 - $3,307.50
Any additional design changes may be additional charge.

Web Site Content Management Development
Custom Web site content management development to include the following sections:
1) Home Page Calendar - Allows adding event headlines to calendar
2) Redevelopment - Allows PDF downloads to be deleted and uploaded
3) Special Events - Allows special event headlines and dates to be added and deleted
4) Venues - Allows calendar to be blacked out once days are booked on calendar. Each venue has a separate calendar
5) Board of Directors - Agendas & Minutes, Supporting Documents can be uploaded and deleted
Total Programming 50-60 hours (price before tax): $4,725.00 - $5,670.00
Any additional functionality to content management system may be additional charge.

Ongoing Hosting Services Provided by Digital IMS:
1) Unlimited E-Mail Accounts
2) Product Support & Content Management Training
3) Live, Phone-Based Support
4) Web Site/ E-Mail Hosting
5) Web Site Statistics (Monthly)
Monthly Hosting Fee: $31.50

Programming Timeline: Development/Programing: 90-120 days

AGENDA ITEM 11
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: **Resolution Approving the Expenditure of Funds Necessary to Remove Two Abandoned Vessels from Clipper Cove** (*Action Item*)

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND
The Cooperative Agreement between the Treasure Island Development Authority (Authority) and the United States Navy (Navy) dictates that the Authority is responsible for the day-to-day operations, maintenance, safety and security of former Naval Station Treasure Island, including Clipper Cove, the bay of water located between the southern shore of Treasure Island and the northern shore of Yerba Buena Island.

At present there are two abandoned vessels within Clipper Cove posing navigational hazards to recreational boaters in the Cove and potential environmental hazards to the waters of the Cove. Staff has identified the need to remove these vessels, consulted with the U.S. Navy and San Francisco Police Department Marine Unit on the process, received bids from marine salvage companies, and, pending Authority Board approval, is ready to proceed with the removal of these vessels through a P-500 Professional Services Contract with Parker Marine of Sausalito, CA.

One vessel, a 37 foot wooden hulled sailboat, is wrecked on the southern seawall of Clipper Cove just west of the Treasure Island Sailing Center. The vessel has been in this location since January of 2006. Based on reports from the San Francisco Police Department Marine Unit, this vessel lost its anchorage in the Cove during a storm in January of 2006 and ran aground on the seawall. The Marine Unit contacted the registered owner of the vessel at the time of its grounding and informed the owner of the need to immediately remove the vessel from the seawall. Since then the owner has failed to make any effort to remove the vessel from its location. The vessel is in a state of disrepair, and its location on the seawall in close proximity to the Treasure Island Sailing Center makes it a public safety hazard.

The second vessel, a 33 foot cabin cruiser powerboat, has been submerged at the western end of Treasure Island's Clipper Cove since May 20th, 2006. The vessel is in a state of serious disrepair and disintegration, posing both an environmental and public safety hazard to Treasure Island and the waters of Clipper Cove. The San Francisco Police Department Marine Unit and the operators of Treasure Isle Marina have both been in contact with the registered owner of this cabin cruiser

and have informed the owner of the need to remove the submerged vessel from the Cove; however the owner has since failed to make any effort to remove his vessel (Pictures of both vessels – Exhibit A).

Since both owners have failed to have their vessels salvaged or removed from the Cove within 30 days of the Marine Unit reports detailing their grounding, the vessels are now considered abandoned vessels under Section 522(a) of the Harbor and Navigation Code, which states in part:

> *522. (a) Any hulk, derelict, wreck, or parts of any ship, vessel, or other watercraft sunk, beached, or allowed to remain in an unseaworthy or dilapidated condition upon publicly owned submerged lands, salt marsh, or tidelands within the corporate limits of any municipal corporation or other public corporation or entity having jurisdiction or control over those lands, without its consent expressed by resolution of its legislative body, for a period longer than 30 days without a watchman or other person being maintained upon or near and in charge of the property, is abandoned property.*

As registered owner of the vessels, their abandonment places the owners in violation of Section 525(a) of the Harbor and Navigation Code, which states:

> *525. (a) Except for urgent and immediate concern for the safety of those aboard a vessel, no person shall abandon a vessel upon a public waterway or public or private property without the express or implied consent of the owner or person in lawful possession or control of the property.*

Authority staff has noticed both owners by registered mail that their vessels are now considered abandoned, and as such will be removed from its location in Clipper Cove and salvaged (Exhibit B). They were additionally informed that as registered owner of these abandoned vessels, they are responsible for all charges incurred by TIDA with regards to removal and salvage of the vessels under Sections 525 (b) and (c) of the Harbor and Navigation Code, which states:

> *(b) The abandonment of any vessel in a manner as provided in subdivision (a) is prima facie evidence that the last registered owner of record, not having notified the appropriate registration or documenting agency of any relinquishment of title or interest therein, is responsible for the abandonment and is thereby liable for the cost of removal and disposition of the vessel.*
> *(c) Violation of this section is an infraction and shall be punished by a fine of not less than five hundred dollars ($500), nor more than three thousand dollars ($3,000). In addition, the court may order the defendant to pay to the agency that removes and disposes of the vessel the actual costs incurred by the agency for that removal and disposition.*

NEXT STEPS:

As this is an expenditure that was not contemplated in the Authority's original FY 2006-2007 budget, staff is requesting Authority Board approval for the expenditure of funds for the removal of both vessels by a marine salvage company. Under the requirements of P-500 Professional Services contracts valued under $29,000, staff solicited bids for removal of both vessels from marine salvage companies identified as City Vendors by the General Services Administration. Based on the prices quoted, and subsequent reference checks made by Authority staff, staff is recommending proceeding with Parker Diving Service of Sausalito, CA (Parker Diving). Parker Diving is a fully insured diving and marine salvage company that has been operating in the Bay Area for 37 years, and has in the past provided their services to the Port of San Francisco and the San Francisco Department of Recreation and Parks. Attached as Exhibit C is the proposed work plan for salvage of the vessels as provided by Parker Diving.

Cost to the Authority for Parker Diving to remove and salvage the two vessels will be approximately $23,400. As mentioned above, Parker Diving is a City Vendor, and pending Authority Board approval will be paid for this work through a P-500 Professional Services Contract process for contracts under $29,000. Funding for this project will come from reprogrammed work order money allocated to "Other Non-Personnel Expenses".

RECOMMENDATION:

Staff recommends approval of the expenditure of funds necessary to remove two abandoned vessels from Clipper Cove.

EXHIBIT:

A. Pictures of abandoned vessels in Clipper Cove

B. Notices of intent to remove abandoned vessel sent to registered owners by the Authority

C. Parker Diving proposal and work plan for removal and salvage of vessels from Clipper Cove, February 2007

Prepared by Peter Summerville, Special Projects Director
For Mirian Saez, Director of Island Operations

[Removal of Abandoned Vessels from Clipper Cove at Treasure Island]

Resolution Approving the Expenditure of Funds Necessary to Remove Two Abandoned Vessels from Clipper Cove.

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under California Community Redevelopment Law (Sections 33000 et seq. of the California Health and Safety Code) with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency for the Base in 1998; and,

WHEREAS, As Caretaker of the Base, the Authority is responsible for the maintenance, safety and security of Treasure and Yerba Buena Islands, including Clipper Cove; and,

WHEREAS, Two dilapidated vessels that currently sit submerged in Clipper Cove have been identified as posing navigational and environmental hazards to Clipper Cove and recreational boaters within the Cove based on their continued presence; and,

WHEREAS, The San Francisco Police Department and the Authority have both taken the proper steps to notify the registered owners of the vessels of their responsibility to promptly remove the vessels from the Cove; and,

WHEREAS, Both owners have failed to act to remove the vessels in a proper time frame and as a result both vessels are now considered abandoned under the Harbor and Navigation Code; and,

WHEREAS, Authority staff has solicited bids for the removal and salvage of these vessels from marine salvage companies and are ready to proceed with removal and salvage of the vessels in order to ameliorate the hazards posed to recreational boaters and to the Cove by these vessels; and,

WHEREAS, Based on the quote submitted to the Authority by Parker Diving Service of Sausalito, CA., an approved City vendor, the expenditure of funds for this marine salvage will total approximately twenty three thousand four hundred dollars: and,

WHEREAS, Removal was not contemplated in the Authority's original budget for Fiscal Year 2006-2007 and;

WHEREAS, Authority staff wishes to make the Board aware of, and to ask for Board approval of, this necessary expenditure; now therefore be it

RESOLVED, That the Board of Directors of the Treasure Island Development Authority hereby authorizes the expenditure of funds necessary to remove two abandoned vessels from Clipper Cove through a P-500 Professional Services Contract with Parker Diving Service of Sausalito, CA., an approved City vendor, for approximately twenty three thousand four hundred dollars.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on February 14, 2007.

_____

John Elberling, Secretary







CITY & COUNTY OF SAN FRANCISCO
TREASURE ISLAND DEVELOPMENT AUTHORITY
410 AVENUE OF THE PALMS,
BLDG. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

December 28, 2006

Ms. Jessica Conner
[redacted]
San Francisco, CA 94102

Dear Ms. Conner,

The 37 foot wooden hulled sailing ketch Kahuna Kai, of which you are the registered owner, currently sits grounded on the southern shore of Treasure Island. As caretaker for former Naval Station Treasure Island, the Treasure Island Development Authority (TIDA) is responsible for the overall maintenance and security of former Naval Station Treasure Island. San Francisco Police Department reports indicate that the Kahuna Kai has been grounded on the shore of Treasure Island since January 14, 2006. The vessel is in a state of serious disrepair and disintegration, posing both an environmental and public safety hazard to Treasure Island and the waters of Clipper Cove.

Since you have failed to have the vessel salvaged within 30 days of its January, 2006 grounding on the Island, the Kahuna Kai is considered an abandoned vessel under Section 522(a) of the Harbor and Navigation Code, which states in part:

> *522. (a) Any hulk, derelict, wreck, or parts of any ship, vessel, or other watercraft sunk, beached, or allowed to remain in an unseaworthy or dilapidated condition upon publicly owned submerged lands, salt marsh, or tidelands within the corporate limits of any municipal corporation or other public corporation or entity having jurisdiction or control over those lands, without its consent expressed by resolution of its legislative body, for a period longer than 30 days without a watchman or other person being maintained upon or near and in charge of the property, is abandoned property.*

As registered owner of the vessel, its abandonment places you in violation of Section 525(a) of the Harbor and Navigation Code, which states:

> *525. (a) Except for urgent and immediate concern for the safety of those aboard a vessel, no person shall abandon a vessel upon a public waterway or public or private property without the express or implied consent of the owner or person in lawful possession or control of the property.*

Please let this letter serve as notice that your vessel will be removed from its location on the southern shore of Clipper Cove and stored by a marine salvage company contracted by TIDA. As registered owner of this abandoned vessel, you are responsible for all charges incurred by TIDA with regards to removal and salvage of the vessel under Sections 525 (b) and (c) of the Harbor and Navigations Code, which states:

> *(b) The abandonment of any vessel in a manner as provided in subdivision (a) is prima facie evidence that the last registered owner of record, not having notified the appropriate registration or documenting agency of any relinquishment of title or interest therein, is responsible for the abandonment and is thereby liable for the cost of removal and disposition of the vessel.*
> *(c) Violation of this section is an infraction and shall be punished by a fine of not less than five hundred dollars ($500), nor more than three thousand dollars ($3,000). In addition, the court may order the defendant to pay to the agency that removes and disposes of the vessel the actual costs incurred by the agency for that removal and disposition.*

Should you have any questions or concerns, please contact TIDA staff member Peter Summerville at (415) 274-0660.

Sincerely,

Mirian Saez
Director of Island Operations

CC: Eileen Malley, Office of the City Attorney
Sgt. Dan Lopez, San Francisco Police Department Marine Unit
Cpt. Denis O'Leary, San Francisco Police Department
Claudine Cheng, President, Treasure Island Development Authority

CITY & COUNTY OF SAN FRANCISCO
TREASURE ISLAND DEVELOPMENT AUTHORITY
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WWW.SFGOV.ORG/TREASUREISLAND



MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

January 11, 2007

Mr. James Hauso
[redacted]
Oakland, CA 94602-3335

Dear Mr. Hauso,

A cabin cruiser boat with the California registration # CF1590AS, of which you are the registered owner, currently sits docked at the Treasure Isle Marina in Treasure Island's Clipper Cove. As caretaker for former Naval Station Treasure Island, the Treasure Island Development Authority (TIDA) is responsible for the overall maintenance and security of former Naval Station Treasure Island, which includes Clipper Cove. San Francisco Police Department reports indicate that this unattended vessel was towed into the Marina, the closest point of safe harbor, by the SFPD Marine Unit on December 27, 2006 due to this unattended vessels unsafe anchorage in Clipper Cove. Due to the navigational and safety hazards caused by this unsafe anchorage, please let this letter serve as notice that you have 30 days to retrieve your vessel from Treasure Isle Marina as well as to completely remove your vessel from Clipper Cove.

Should you fail to remove your unattended vessel from the Cove within 30 days of the date of this letter, vessel # CF1590AS will be considered an abandoned vessel under Section 522(a) of the Harbor and Navigation Code, which states in part:

> *522. (a) Any hulk, derelict, wreck, or parts of any ship, vessel, or other watercraft sunk, beached, or allowed to remain in an unseaworthy or dilapidated condition upon publicly owned submerged lands, salt marsh, or tidelands within the corporate limits of any municipal corporation or other public corporation or entity having jurisdiction or control over those lands, without its consent expressed by resolution of its legislative body, for a period longer than 30 days without a watchman or other person being maintained upon or near and in charge of the property, is abandoned property.*

As registered owner of the vessel # CF1590AS, its abandonment places you in violation of Section 525(a) of the Harbor and Navigation Code, which states:

> *525. (a) Except for urgent and immediate concern for the safety of those aboard a vessel, no person shall abandon a vessel upon a public waterway or public or private property without the express or implied consent of the owner or person in lawful possession or*

control of the property.

Please let this letter serve as notice that failure to remove your unattended vessel # CF1590AS from Clipper Cove within this 30 days will result in the salvage and removal of vessel # CF1590AS from its docked location at the Treasure Isle Marina. As registered owner of this abandoned vessel, you are responsible for all future charges incurred by TIDA with regards to removal and salvage of the vessel under Sections 525 (b) and (c) of the Harbor and Navigations Code, which states:

> *(b) The abandonment of any vessel in a manner as provided in subdivision (a) is prima facie evidence that the last registered owner of record, not having notified the appropriate registration or documenting agency of any relinquishment of title or interest therein, is responsible for the abandonment and is thereby liable for the cost of removal and disposition of the vessel.*
> *(c) Violation of this section is an infraction and shall be punished by a fine of not less than five hundred dollars ($500), nor more than three thousand dollars ($3,000). In addition, the court may order the defendant to pay to the agency that removes and disposes of the vessel the actual costs incurred by the agency for that removal and disposition.*

Additionally, you are also the registered owner of a 1961 Hunter 33 foot cabin cruiser, CF # 8401AK. San Francisco Police Department reports indicate that vessel # CF 8401AK has been submerged at the western end of Treasure Island's Clipper Cove since May 20th, 2006. The vessel is in a state of serious disrepair and disintegration, posing both an environmental and public safety hazard to Treasure Island and the waters of Clipper Cove.

Submerged in the Cove, vessel # CF8401AK is considered an abandoned vessel under Section 522(a) of the Harbor and Navigation Code, which is quoted above. As registered owner of the vessel, its abandonment places you in violation of Section 525(a) of the Harbor and Navigation Code, which is quoted above.

Please let this letter serve as notice that vessel # CF 8401AK will be removed from its location on the southern shore of Clipper Cove and stored by a marine salvage company contracted by TIDA. As registered owner of this abandoned vessel, you are responsible for all charges incurred by TIDA with regards to removal and salvage of the vessel under Sections 525 (b) and (c) of the Harbor and Navigations Code, referenced above.

Should you have any questions or concerns, please contact TIDA staff member Peter Summerville at (415) 274-0660.

Sincerely,

Mirian Saez
Director of Island Operations

CC: Eileen Malley, Office of the City Attorney
Sgt. Dan Lopez, San Francisco Police Department Marine Unit
Cpt. Denis O'Leary, San Francisco Police Department
Claudine Cheng, President, Treasure Island Development Authority

PARKER DIVING SERVICE

REDWOOD SHORE DIVING, INC. d.b.a.
P.O. BOX 1648
SAUSALITO, CA 94966-1648
(415) 331-0328
TAX I.D. #68-0315072

January 31, 2007

Peter Summerville
Treasure Island Development Authority

Ph. (415) 274-0665
Fx. (415) 274-0299

Salvage plan for raising and disposing of
35' wooden powerboat sunk near beach in Clipper cove.

1. Using licensed & insured 56' Landing Craft, *Allied Mariner*, owned by Parker Diving Service, anchor to submerged wreck and jet out mud from interior.
2. Secure fuel tanks to stop any leakage.
3. Attach lift bags to hull, inflate them and raise vessel's gunnels above water.
4. Tow vessel to launch ramp at the Northwest corner of Treasure Island during high tide.
5. Ground vessel stern first on launch ramp and wrap vessel with containment boom to control any hazardous material discharge and any floating debris.
6. Pull vessel up ramp using excavator.
7. Remove any hazardous materials present and properly dispose of same.
8. Demolish vessel using excavator and load into 30 cubic yard end dump and haul to landfill.
9. Deliver recyclables to recyclers- i.e.; metal and plastics.

NOTE: Parker Diving Service reserves the right to alter the salvage plan as conditions dictate. Further, salvage will be performed only during a spring tide series – i.e.; large high/low tides.

PARKER DIVING SERVICE

REDWOOD SHORE DIVING, INC. d.b.a.
P.O. BOX 1648
SAUSALITO, CA 94966-1648
(415) 331-0328
TAX I.D. #68-0315072

January 29, 2007

Peter Summerville
Treasure Island Development Authority

Ph. (415) 274-0665
Fx. (415) 274-0299

Bid to raise, tow to launch ramp at Northwest side of Treasure Island,
pull up on launch ramp, break up vessel and legally dispose of 35' wooden powerboat
sunk near beach at Clipper Cove.

BID PRICE: $9,000.00

If both bids are accepted, a 10% savings applies.

PARKER DIVING SERVICE
REDWOOD SHORE DIVING, INC. d.b.a.
P.O. BOX 1648
SAUSALITO, CA 94966-1648
(415) 331-0328
TAX I.D. #68-0315072

January 31, 2007

Peter Summerville
Treasure Island Development Authority

Ph. (415) 274-0665
Fx. (415) 274-0299

Salvage plan for raising and disposing of
45' ketch stranded and holed on Clipper Cove's breakwater.

1. Using licensed and insured 56' Landing craft, *Allied Mariner*, owned by Parker Diving Service, attach the forward winch wire to the portside of the stranded vessel and with the assistance of several lift bags right the vessel.
2. Temporarily patch the hull and seal fuel tanks.
3. De-water the vessel using 2" and 3" centrifuge pumps.
4. At high tide, pull vessel from the breakwater and tow to launch ramp at North West corner of Treasure Island.
5. Ground vessel on the launch ramp and wrap vessel with containment boom to control any hazardous material and any floating debris.
6. Pull vessel up the ramp using an excavator.
7. Remove any hazardous material present and properly dispose of same.
8. Demolish vessel using excavator and load debris into 30 cubic yard end dump and haul to landfill.
9. Deliver recyclables to recycler – i.e. Metal.

Parker Diving Service reserves the right to alter the salvage plan as conditions dictate. Further, salvage will be performed only during spring tide series – i.e. large high/low tides.

PARKER DIVING SERVICE
REDWOOD SHORE DIVING, INC. d.b.a.
P.O. BOX 1648
SAUSALITO, CA 94966-1648
(415) 331-0328
TAX I.D. #68-0315072

January 29, 2007

Peter Summerville
Treasure Island Development Authority

Ph. (415) 274-0665
Fx. (415) 274-0299

Bid to raise, tow to launch rmap at Northwest side of Treasure Island, pull up launch ramp, break up vessel and legally dispose of 45' ketch, sunk in breakwater in Clipper Cove.

BID PRICE: $17,000.00

If both bids are accepted, a 10% savings applies.

AGENDA ITEM 12
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject: **Resolution Authorizing the Expenditure of Funds Necessary to Obtain Appraisal Services through the Real Estate Division of the City and County of San Francisco.** (*Action Item*)

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND

In order to generate operating revenue to support the policy goals and objectives of the City and the Treasure Island Development Authority, project staff leases property from the US Navy and in turn subleases those properties to commercial and non-commercial third party organizations.

Standard Operating Procedures ("SOP") for subleasing to are being developed to ensure that process is employed consistently and to ensure transparency in the terms and conditions of all Authority transactions and agreements with third-parties.

An early step in development of the SOP was the establishment of an inventory of properties available for subleasing to third parties. At the January 10, 2006, regular meeting of the Treasure Island Development Authority Board of Directors (the "Authority Board"), project staff described physical conditions affecting 84 buildings on Treasure Island and concluded that less than 20 of those buildings would be suitable candidates for subleasing to commercial tenants. The balance of the buildings were considered not suitable for subleasing either because they are occupied by a government organization that is using the building in support of the operations or development of Treasure Island, or the building suffers from defects too significant to qualify them as candidates for subleasing. Defects identified ranged from contamination with hazardous materials to failure to meet seismic requirements of FEMA 178.

The next step for the SOP will be the creation of a rental rate schedule for properties that are offered by project staff for subleasing. The adoption of a rental rate schedule will provide project staff guidance in their negotiations with third parties and assure that the Authority earns market rate rental revenue from properties it subleases.

Project staff has entered into an Agreement with the Real Estate Division of the City and County of San Francisco to contract for professional appraisal services to assist in the development of a rental rate schedule for commercial properties on Treasure Island. Appraisal services will include inspection of Treasure Island properties and the development of an appraisal report recommending a range of market based rental rates for buildings on Treasure Island that are

suitable for subleasing. Additionally, the appraisal will identify the highest and best use for each subject property and provide a list and description of comparable properties. These services will be provided by Carneghi-Blum and Partners, Inc., an MAI Certified appraiser with over 30 continuous years of appraisal experience in the Bay Area. The appraisers had their first tour of the properties on February 5 and are scheduled to complete their work in 45 days.

The cost for the appraisal services is $16,500. The Carneghi-Blum fee is $15,000 and the fee for the Real Estate Division is $1,500.

BUDGET SOURCE:

The Authority budget for Fiscal Year 2006-2007 did not include an interdepartmental work-order allocation for the City's Real Estate Division to provide services to the Authority. Funding for this project will come from reprogrammed work order money originally allocated to "Other non-Operating Expenses". Funds will be work-ordered to the Real Estate Division upon completion of the Appraisal Report.

Based on information provided by the appraisers, project staff will submit to the Authority Board for its review a rental rate schedule for each property in the Treasure Island portfolio. Subject to approval of the Authority Board, staff will negotiate rental agreements based on the rental rate schedule. In the event potential sublease terms are outside of the rental rate schedule, project staff will seek Authority Board approval of the terms of the sublease.

RECOMMENDATION:

Establishing a rental rate schedule for properties that are offered by project staff for subleasing is a critical step in the development of a leasing policy. Use of a professional third party appraiser to advise project staff of appropriate market-based rental rate schedules is deemed necessary. The rental rate schedule will guide negotiations with third parties and assure that the Authority earns market rate rental revenue from properties it subleases.

EXHIBITS:

A. Executed Agreement Between the Real Estate Division for the City and County of San Francisco and Carneghi-Blum and Partners, Inc. for Independent Appraisal for Various Properties located on Treasure Island.

Prepared by Marc McDonald, Facilities Manager
For Mirian Saez, Director of Island Operations

[Appraisal Services Through the Real Estate Division of the City and County of San Francisco]

Resolution Authorizing the Expenditure of Funds Necessary to Obtain Appraisal Services through the Real Estate Division of the City and County of San Francisco.

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under California Community Redevelopment Law (Sections 33000 et seq. of the California Health and Safety Code) with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency for the Base in 1998; and,

WHEREAS, In the development of Standard Operating Procedures for the sublease of properties leased to the Authority by the US Navy for the purpose of generating revenue from third parties to support the policy goals and objectives of the City and the Authority, Project

Office staff is working with the Real Estate Division to obtain fair market rental schedules for properties on Treasure Island that are suitable for subleasing to third parties; and,

WHEREAS, The appraisal process will be managed by the Real Estate Division under a standard inter-departmental work order process with funding passing from the Authority to the Real Estate Division; and,

WHEREAS, The fair market rental rate schedules shall aid the Authority in the marketing of its revenue generating commercial spaces; and,

WHEREAS, The Real Estate Division has provided Project Office staff with a firm cost of Fifteen Thousand Dollars ($15,000) for the cost of the services of an MAI Certified appraiser, plus One Thousand Five Hundred Dollars ($1,500) for the cost of the services of the Real Estate Division to manage the appraiser; now therefore be it

RESOLVED, That the Board of Directors of the Treasure Island Development Authority hereby directs Project Office staff to expend the funding necessary to secure appraisal services through the Real Estate Division in accordance with the terms and conditions of the Agreement for Independent Appraisal provided by the Division of Real Estate.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on February 14, 2007.

_____

John Elberling, Secretary

AVERY ™ RECYCLED PAPER MADE FROM [illegible] CONTENT

AGREEMENT FOR INDEPENDENT APPRAISAL

Property: Various properties located on Treasure Island
San Francisco, California

Appraiser: Carneghi - Blum and Partners, Inc.

Date: January 25, 2007

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LIST OF EXHIBITS

Exhibit A – Description of Property
Exhibit B – Form of Appraisal Report
Exhibit C – Appraisal Certifications
Exhibit D – Appraisal Instructions
Exhibit E – Sublease Agreement

AGREEMENT FOR INDEPENDENT APPRAISAL

This Agreement for Independent Appraisal (this "Agreement"), dated for reference purposes as of Jan. 29, 2007, is between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), and Carneghi- Blum and Partners, Inc. ("Appraiser").

The parties hereto agree as follows:

1. **Employment of Appraiser**

In connection with the Real Estate Division's appraiser panel program, City agrees to engage Appraiser, and Appraiser agrees to perform the services and work hereinafter described, on the terms and conditions set forth below.

2. **Scope of Work**

The scope of work to be performed by Appraiser under this Agreement is as follows: Determine market rental rates for properties as described in Appraisal Instructions shown as Exhibit D attached hereto.

(a) Inspection of Property. Appraiser shall make a personal inspection of the property, as more particularly shown in Exhibit A attached hereto (the "Property"), for the purpose of providing the appraisal. Appraiser shall contact City's Director of Property and the Treasure Island Development Authority before entering the Property to perform any work.

(b) Valuation. Appraiser shall use methodologies generally recognized by appraisers as necessary to produce credible appraisals and shall take into account any covenants, conditions and restrictions or easements benefiting or burdening the Property and any unusual characteristics of the Property.

(c) Reports. Appraiser shall prepare a written report within 70 days of the execution of this Agreement as follows: Appraiser shall provide the Director of Property with three (3) copies of a certified narrative appraisal report (the "Appraisal Report"). The Appraisal Report shall include a final opinion of the fair market rental rate of the Property based on the parameters set forth herein. The final opinion of value must be a specific figure and shall assign specific values to each individual building and vacant lot. The Appraisal Report shall contain all pertinent information supporting the conclusions, including comparable rental data, photographs, area and property data, maps, plans, and other similar or pertinent documentation, as well as a clear and detailed description of the assumptions and any limiting conditions, qualifications or omissions, and of the method of analysis used in reaching the conclusions. The Appraisal Report shall be delivered in substantially the format outlined in Exhibit B attached hereto and contain duly executed certifications substantially in the form of Exhibit C attached hereto.

(d) Standards. Appraiser shall complete the appraisal in accordance with the Uniform Standards of Professional Appraisal Practice and the Code of Professional Ethics of the American Society of Appraisers.

3. **Purpose of Appraisal**

The purpose of the analysis and appraisal to be performed pursuant to this Agreement is to provide the City's Real Estate Division with the fair market rental rates of the Property as described in Section 2. Appraiser understands and agrees that City will rely fully on the appraisal for such purpose.

4. **Compensation**

(a) **Fees.** Appraiser shall receive Fifteen Thousand Dollars ($15,000.00) as full compensation for the work performed hereunder, payable after receipt by the Director of Property of the Appraisal Report in accordance with the terms of this Agreement. The above amount includes all of Appraiser's allowable costs and profits for the work to be performed hereunder. The above amount also includes the initial consultation, phone consultations during the preparation of the Appraisal Report and a final consultation upon completion of the Appraisal Report with Marc McDonald of the Treasure Island Development Authority and Marta Bayol of the Real Estate Division.

(b) **Approval of Work.** City shall not incur any charges under this Agreement for the work nor shall any payments become due to Appraiser for the work until the Director of Property receives the Appraisal Report required under this Agreement and approves it as being in accordance with this Agreement.

(c) **No Interest or Late Charges.** In no event shall City be liable for interest or late charges for any late payments.

(d) **Independent Opinion.** The compensation to be paid to Appraiser for the performance of the work contemplated under this Agreement is not in any way contingent upon the opinions or value conclusions of Appraiser. Furthermore, Appraiser is specifically directed by City not to deliver any opinion of value other than its own independently determined opinions produced by its own investigation, using acceptable professional standards.

5. **Method of Payment**

Invoices furnished by Appraiser under this Agreement must be in a form acceptable to the City's Controller (the "Controller"). All amounts paid by City to Appraiser shall be subject to audit by City. Payment shall be made by City to Appraiser at the address for notices stated herein, or at such other address as Appraiser shall provide City with written notice of no less than fifteen days in advance.

6. **Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation**

This Agreement is subject to the budgetary and fiscal provisions of the City's Charter. Charges will accrue only after the Controller has certified the availability of funds for payment under this Agreement. Any amount of City's obligation hereunder shall not at any time exceed the amount certified for the purpose and the period stated in such advance certification.

7. **Effective Date of Agreement; Term**

This Agreement shall become effective when the parties have fully executed and delivered this Agreement and the Controller has certified to the availability of funds. The term of this Agreement shall continue until Appraiser completes all work required hereunder or this Agreement is sooner terminated as provided herein.

8. **Qualifications of Appraiser**

Appraiser represents and warrants to City that Appraiser is qualified to make the independent appraisal of the Property contemplated hereunder and that it is familiar with recognized appraisal practices and with the standards required for determining values of real property.

9. **Personnel**

(a) All work performed under this Agreement shall be performed only by personnel under the supervision and in the employment of Appraiser. All personnel engaged in the work shall be fully qualified and shall be authorized, licensed and certified under State and local law to perform such work if authorization, licensing or certification is required.

(b) The responsible personnel for the Appraisal shall be Chris Carneghi, MAI, Carneghi-Blum and Partners, Inc.

(c) Appraiser shall not subcontract any work to be performed under this Agreement unless Appraiser first obtains the written approval of the Director of Property.

10. **Incomplete Work**

Neither the performance of any work by Appraiser nor City's acceptance of the Appraisal Report shall relieve Appraiser from the obligation to correct any inaccurate or incomplete work. Appraiser shall promptly remedy all inaccurate or incomplete work, on demand, without cost to City.

11. **Ownership of Documents**

All documents and reports prepared by Appraiser pursuant to this Agreement, including the Appraisal Report, shall be and remain the property of City and shall be delivered by Appraiser to City upon completion of the work hereunder. Appraiser may retain and use copies of such reports for reference and as documentation of its experience and capabilities.

12. **Changes in Scope of Work**

City may, from time to time, require changes in the scope of the work to be performed by Appraiser hereunder. Such changes, including any increases or decreases in the amount of Appraiser's compensation, that City and Appraiser may mutually agree to and shall be set forth in written amendments to this Agreement, are subject to the provisions of the City's Charter.

13. Termination

(a) City shall have the right, at its sole option, to terminate this Agreement at any time, with or without cause. Termination shall be effective immediately upon Appraiser's receipt of written notice of termination, and thereupon Appraiser shall have no further rights under this Agreement. In the event of such termination, Appraiser shall be paid for any work under this Agreement that has been performed to the satisfaction of the Director of Property, up to the effective date of termination. Any such payment shall be based upon the percentage of work completed multiplied by the total contract price.

(b) Upon termination of this Agreement, Appraiser shall submit an invoice to City for an amount which it believes to be due and owing to it based upon the formula set forth in subsection a above. Upon City's request, Appraiser shall provide any additional back-up information or documentation to support such invoice. Upon City's approval and payment of the invoice, City shall be under no further obligation to Appraiser monetarily or otherwise.

14. Bankruptcy

In the event that either party shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or assets or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or the protection of rights of creditors, then at the option of the other party this Agreement shall terminate and be of no further force or effect, and any property or rights of such other party, tangible or otherwise, shall be immediately returned to it.

15. Indemnification

(a) Appraiser shall indemnify and hold harmless City, its officers, agents and employees from and, if requested, shall defend them, against any and all loss, damage, injury, liability, and claims thereof for injury to or death of a person, including employees of Appraiser or loss of or damage to property, resulting directly or indirectly from Appraiser's performance of this Agreement, regardless of the negligence of City, and further regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Agreement and except where such loss, damage, injury, liability or claim is the result of gross negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or contract on Appraiser, its agents, officers or employees. Appraiser specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within the indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Appraiser by City and continues at all times thereafter.

(b) Appraiser shall indemnify and hold City harmless from all loss and liability, including attorney's fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark of any person or persons as a consequence of the use by City, or any of its officers, agents or employees, of any work or services to be supplied in the performance of this Agreement.

(c) Appraiser's obligations hereunder shall survive any termination of this Agreement.

16. **Incidental and Consequential Damages**

Appraiser shall be responsible for incidental and consequential damages resulting in whole or in part from Appraiser's acts or omissions. Nothing in this Agreement shall constitute a waiver or limitation of any rights which City may have under applicable law.

17. **Liability of City**

CITY'S OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 4 OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

18. **Insurance**

(a) Without in any way limiting Appraiser's liability pursuant to Section 15 of this Agreement, Appraiser shall maintain in force, during the full term hereof, insurance in the following amounts and coverage:

(i) Workers' Compensation, with Employers' Liability limits not less than One Million Dollars ($1,000,000) each accident.

(ii) Comprehensive General Liability Insurance with limits not less than One Million Dollars ($1,000,000) each occurrence Combined Single Limit Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations coverages.

(iii) Comprehensive Automobile Liability Insurance with limits not less than One Million Dollars ($1,000,000) each occurrence Combined Single Limit Bodily Injury and Property Damage, including owned and non-owned and hired auto coverage, as applicable.

(iv) Professional Liability insurance with limits not less than One Million Dollars ($1,000,000) each claim with respect to negligent acts, errors and omissions, and any deductible not to exceed Fifty Thousand Dollars ($50,000) each claim.

(b) Comprehensive General Liability Insurance and Comprehensive Automobile Liability Insurance policies shall be endorsed to provide the following:

(i) Name as Additional Insured the City and County of San Francisco, Treasure Island Development Authority and United States Navy, its officers, agents and employees.

(ii) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

(c) All policies shall be endorsed to provide:

Thirty (30) days' advance written notice to City of cancellation, non-renewal or reduction in coverage, mailed to the following addresses:

Director of Property
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102

Risk Manager
City and County of San Francisco
City Hall, Room 362
San Francisco, California 94102

Director of Island Operation
Treasure Island Development Authority
410 Avenue of the Palms
Treasure Island, San Francisco, California 94130

(d) Certificates of insurance and additional insured policy endorsements from insurers in a form satisfactory to City evidencing the coverage above and shall be furnished to City before commencing any work under this Agreement (including any entry onto the Property), with complete copies of policies upon City request.

(e) Approval of the insurance by City shall not relieve or decrease the liability of Appraiser hereunder.

19. Assignment

The services to be performed by Appraiser hereunder are personal in character. Accordingly, neither this Agreement nor any duties or obligations on the part of Appraiser hereunder shall be assigned or delegated by Appraiser, without the prior written approval of the Director of Property.

20. Independent Contractor

Appraiser shall be deemed at all times to be an independent contractor and shall be wholly responsible for the manner in which Appraiser performs the work required of Appraiser by the terms of this Agreement. Appraiser shall be liable for any act or acts of its own and its agents, officers and employees. Nothing contained in this Agreement shall be construed as creating the relationship of employer and employee between City and Appraiser or its agents, officers or employees.

21. Conflicts of Interest

Through its execution of this Agreement, Appraiser acknowledges that it is familiar with the provisions of Section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Sections 87100 et seq. and Sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provisions and agrees that if it becomes aware of any such fact during the term of this Agreement, Appraiser shall immediately notify the City.

22. Confidential Information of City

Appraiser understands and agrees that in the performance of the work under this Agreement or in contemplation thereof, Appraiser may have access to private or confidential information that may be owned or controlled by City, or may be in the possession of City by virtue of its agreement with the owner of the Property, and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Appraiser agrees that all information disclosed by City to Appraiser shall be held in confidence and used only in the performance of this Agreement. Appraiser shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

23. Copyright

No reports or other documents produced in whole or in part under this Agreement shall be the subject of any application for copyright by or on behalf of Appraiser.

24. Audit and Inspection of Records

Appraiser shall maintain and make available to City accurate books and accounting records relative to its activities under this Agreement. Appraiser shall permit City to audit, examine, and make excerpts and transcripts from data and records of Appraiser relating to carrying out this Agreement. Appraiser shall maintain such data and records in an accessible location and condition for two (2) years after completion or other termination hereof or until a final audit has been resolved, whichever is later.

25. Appraisal Coordination

Appraiser shall coordinate its work hereunder with the Director of Property or any other agents or contractors of City.

26. Non-Discrimination in City Contracts and Benefits Ordinance

(a) Contractor Shall Not Discriminate. In the performance of this Agreement, Appraiser agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with Appraiser, in any of Appraiser's operations within the United States, or against any person seeking accommodations, advantages, facilities,

privileges, services, or membership in all business, social, or other establishments or organizations operated by Appraiser.

(b) **Subcontracts.** Appraiser shall incorporate by reference in all Subcontracts relating to the work to be performed under this Agreement the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Appraiser's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

(c) **Non-Discrimination in Benefits.** Appraiser does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco, or where the work is being performed for the City or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) **Condition to Contract.** As a condition to this Agreement, Appraiser shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

(e) **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties entering into contracts with City are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Appraiser shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Appraiser understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of Fifty Dollars ($50) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Appraiser and/or deducted from any payments due Appraiser.

27. Local Business Enterprise Utilization; Liquidated Damages

(a) **The LBE Ordinance**

Contractor shall comply with all the requirements of the Local Business Enterprise and Non-Discrimination in Contracting Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance"), provided such amendments do not materially increase Contractor's obligations or liabilities, or materially diminish Contractor's rights, under this Agreement. Such provisions of the LBE Ordinance are incorporated by reference and made a part of this Agreement as though fully set forth in this section. Contractor's willful failure to comply with any applicable provisions of the LBE Ordinance is a material breach of Contractor's

obligations under this Agreement and shall entitle City, subject to any applicable notice and cure provisions set forth in this Agreement, to exercise any of the remedies provided for under this Agreement, under the LBE Ordinance or otherwise available at law or in equity, which remedies shall be cumulative unless this Agreement expressly provides that any remedy is exclusive. In addition, Contractor shall comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

(b) Compliance and Enforcement

(1) Enforcement

If Contractor willfully fails to comply with any of the provisions of the LBE Ordinance, the rules and regulations implementing the LBE Ordinance, or the provisions of this Agreement pertaining to LBE participation, Contractor shall be liable for liquidated damages in an amount equal to Contractor's net profit on this Agreement, or 10% of the total amount of this Agreement, or $1,000, whichever is greatest. The Director of the City's Human Rights Commission or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of HRC") may also impose other sanctions against Contractor authorized in the LBE Ordinance, including declaring the Contractor to be irresponsible and ineligible to contract with the City for a period of up to five years or revocation of the Contractor's LBE certification. The Director of HRC will determine the sanctions to be imposed, including the amount of liquidated damages, after investigation pursuant to Administrative Code Section 14B.17.

By entering into this Agreement, Contractor acknowledges and agrees that any liquidated damages assessed by the Director of the HRC shall be payable to City upon demand. Contractor further acknowledges and agrees that any liquidated damages assessed may be withheld from any monies due to Contractor on any contract with City.

Contractor agrees to maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination or expiration of this Agreement, and shall make such records available for audit and inspection by the Director of HRC or the Controller upon request.

28. MacBride Principles - Northern Ireland

The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Appraiser acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

29. Tropical Hardwoods and Virgin Redwood Ban

The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwoods, tropical hardwoods wood product, virgin redwood

or virgin redwood wood product except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code.

30. Drug-Free Workplace Policy

Appraiser acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City property. Appraiser agrees that any violation of this prohibition by Appraiser, its employees, agents or assigns will be deemed a material breach of this Agreement.

31. Resource Conservation Liquidated Damages

Chapter 5 of the San Francisco Environment Code is incorporated herein by reference. Failure by Appraiser to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract.

In the event Appraiser fails to comply in good faith with any of the provisions of Chapter 5, Appraiser will be liable for liquidated damages in an amount equal to Appraiser's net profit under this Agreement, or five percent (5%) of the total contract amount, whichever is greater. Appraiser acknowledges and agrees that the liquidated damages assessed shall be payable to City upon demand and may be offset against any monies due to Appraiser from any contract with City.

32. Sunshine Ordinance

In accordance with San Francisco Administrative Code Section 67.24(e), contracts, contractors' bids, responses to requests for proposals and all other records of communications between City and persons or firms seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this Section will be made available to the public upon request.

33. Taxes

Payment of any taxes, including California Sales and Use Taxes, levied upon this Agreement or the services delivered pursuant hereto, shall be the obligation of Appraiser.

34. Notification of Limitations on Contributions

Through execution of this Agreement, Appraiser acknowledges that it is familiar with Section 1.126 of City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services or for the furnishing of any material, supplies or equipment to the City, whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making a contribution to such an officer, or candidate for such office, or committee controlled by such officer or candidate at any time from the commencement of negotiations for such contract until the termination of negotiations for such contract or three (3) months has elapsed from the date

the contract is approved by the City elective officer, or the board on which that City elective officer serves.

35. **Requiring Minimum Compensation for Covered Employees**

Appraiser agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at http://www.sfgov.org/site/uploadedfiles/olse/mco/12p.pdf. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12P. Consistent with the requirements of the MCO, Appraiser agrees to all of the following:

(a) For each hour worked by a Covered Employee during a Pay Period on work funded under the City contract during the term of this Agreement, Appraiser shall provide to the Covered Employee no less than the Minimum Compensation, which includes a minimum hourly wage and compensated and uncompensated time off consistent with the requirements of the MCO. For the hourly gross compensation portion of the MCO, the Appraiser shall pay Ten Dollars and Seventy-Seven Cents ($10.77) an hour; provided, however, that if Appraiser is a Nonprofit Corporation or a public entity, the rate shall remain at Nine Dollars ($9.00).

(b) Appraiser shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the City with regard to Appraiser's compliance or anticipated compliance with the requirements of the MCO, for opposing any practice proscribed by the MCO, for participating in proceedings related to the MCO, or for seeking to assert or enforce any rights under the MCO by any lawful means.

(c) Appraiser understands and agrees that the failure to comply with the requirements of the MCO shall constitute a material breach by Appraiser of the terms of this Agreement. The City, acting through the Contracting Department, shall determine whether such a breach has occurred.

(d) If, within thirty (30) days after receiving written notice of a breach of this Agreement for violating the MCO, Appraiser fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Appraiser fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City, acting through the Contracting Department, shall have the right to pursue the following rights or remedies and any rights or remedies available under applicable law:

(i) The right to charge Appraiser an amount equal to the difference between the Minimum Compensation and any compensation actually provided to a Covered Employee, together with interest on such amount from the date payment was due at the maximum rate then permitted by law;

(ii) The right to set off all or any portion of the amount described in subsection d(i) of this Section against amounts due to Appraiser under this Agreement;

(iii) The right to terminate this Agreement in whole or in part;

(iv) In the event of a breach by Appraiser of the covenant referred to in subsection b of this Section, the right to seek reinstatement of the employee or to obtain other appropriate equitable relief; and

(v) The right to bar Appraiser from entering into future contracts with the City for three (3) years.

Each of the rights provided in this subsection d shall be exercisable individually or in combination with any other rights or remedies available to the City. Any amounts realized by the City pursuant to this subsection shall be paid to the Covered Employee who failed to receive the required Minimum Compensation.

(e) Appraiser represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(f) Appraiser shall keep itself informed of the current requirements of the MCO, including increases to the hourly gross compensation due Covered Employees under the MCO, and shall provide prompt written notice to all Covered Employees of any increases in compensation, as well as any written communications received by the Appraiser from the City, which communications are marked to indicate that they are to be distributed to Covered Employees.

(g) Appraiser shall provide reports to the City in accordance with any reporting standards promulgated by the City under the MCO, including reports on subcontractors.

(h) The Appraiser shall provide the City with access to pertinent records after receiving a written request from the City to do so and being provided at least five (5) business days to respond.

(i) The City may conduct random audits of Appraiser. Random audits shall be (i) noticed in advance in writing; (ii) limited to ascertaining whether Covered Employees are paid at least the minimum compensation required by the MCO; (iii) accomplished through an examination of pertinent records at a mutually agreed upon time and location within ten (10) days of the written notice; and (iv) limited to one (1) audit of Appraiser every two (2) years for the duration of this Agreement. Nothing in this Agreement is intended to preclude the City from investigating any report of an alleged violation of the MCO.

(j) Any subcontract entered into by Appraiser shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. A subcontract means an agreement between the Appraiser and a third party which requires the third party to perform all or a portion of the services covered by this Agreement. Appraiser shall notify the Department of Administrative Services when it enters into such a subcontract and shall certify to the Department of Administrative Services that it has notified the subcontractor of the obligations under the MCO and has imposed the requirements of the MCO on the subcontractor through the provisions of the subcontract. It is Appraiser's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this

Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Appraiser.

(k) Each Covered Employee is a third-party beneficiary with respect to the requirements of subsections a and b of this Section, and may pursue the following remedies in the event of a breach by Appraiser of subsections a and b, but only after the Covered Employee has provided the notice, participated in the administrative review hearing, and waited the twenty-one (21)-day period required by the MCO. Appraiser understands and agrees that if the Covered Employee prevails in such action, the Covered Employee may be awarded: (1) an amount equal to the difference between the Minimum Compensation and any compensation actually provided to the Covered Employee, together with interest on such amount from the date payment was due at the maximum rate then permitted by law; (2) in the event of a breach by Appraiser of subsections a or b, the right to seek reinstatement or to obtain other appropriate equitable relief; and (3) in the event that the Covered Employee is the prevailing party in any legal action or proceeding against Appraiser arising from this Agreement, the right to obtain all costs and expenses, including reasonable attorney's fees and disbursements, incurred by the Covered Employee. Appraiser also understands that the MCO provides that if Appraiser prevails in any such action, Appraiser may be awarded costs and expenses, including reasonable attorney's fees and disbursements, from the Covered Employee if the court determines that the Covered Employee's action was frivolous, vexatious or otherwise an act of bad faith.

(l) If Appraiser is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than Twenty-Five Thousand Dollars ($25,000) [Fifty Thousand Dollars ($50,000) for nonprofits], but Appraiser later enters into an agreement or agreements that cause Appraiser to exceed that amount in a fiscal year, Appraiser shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Appraiser and this department to exceed Twenty-Five Thousand Dollars ($25,000) [Fifty Thousand Dollars ($50,000) for nonprofits] in the fiscal year.

36. Requiring Health Benefits for Covered Employees

Unless exempt, Appraiser agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the HCAO is available on the web at http://www.municode.com/content/4201/14131/html/ch012q.html. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Appraiser shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Appraiser chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Appraiser is a small business as defined in Section 12Q.3(d) of the HCAO, it shall have no obligation to comply with subsection a above.

(c) Appraiser's failure to comply with the HCAO shall constitute a material breach of this Agreement. City shall notify Appraiser if such a breach has occurred. If, within thirty (30) days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Appraiser fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Appraiser fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in Section 12Q.5(f)(1-5). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Appraiser shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Appraiser shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Appraiser shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Appraiser based on the Subcontractor's failure to comply, provided that City has first provided Appraiser with notice and an opportunity to obtain a cure of the violation.

(e) Appraiser shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Appraiser's compliance or anticipated compliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Appraiser represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Appraiser shall keep itself informed of the current requirements of the HCAO.

(h) Appraiser shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(i) Appraiser shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least five (5) business days to respond.

(j) City may conduct random audits of Appraiser to ascertain its compliance with HCAO. Appraiser agrees to cooperate with City when it conducts such audits.

(k) If Appraiser is exempt from the HCAO when this Agreement is executed because its amount is less than Twenty-Five Thousand Dollars ($25,000) [Fifty Thousand Dollars ($50,000) for nonprofits], but Appraiser later enters into an agreement or agreements that cause Appraiser's aggregate amount of all agreements with City to reach Seventy-Five Thousand

Dollars ($75,000), all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Appraiser and the City to be equal to or greater than Seventy-Five Thousand Dollars ($75,000) in the fiscal year.

37. Notices

Except as otherwise expressly provided herein, any notices given under this Agreement shall be effective only if in writing and given by delivering the notice in person, by sending it first-class mail or certified mail with a return receipt requested, postage prepaid, or overnight courier, addressed as follows:

City: Real Estate Division
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: Director of Property

Appraiser: Chris Carneghi, MAI
Carneghi-Blum & Partners, Inc
595 Market Street
San Francisco, CA 94105

Notices herein shall be deemed given two (2) days after the date when it shall have been mailed if sent by first class, certified or overnight courier, or upon the date personal delivery is made.

38. Earned Income Credit (EIC) Forms

San Francisco Administrative Code Section 12O requires that employers provide their employees with IRS Form W-5 (Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found.

(a) Appraiser shall provide EIC Forms to each Eligible Employee at each of the following times: **(i)** within thirty (30) days following the date on which this Agreement becomes effective (unless Appraiser has already provided such EIC Forms at least once during the calendar year in which such effective date falls); **(ii)** promptly after any Eligible Employee is hired by Appraiser; and **(iii)** annually between January 1 and January 31 of each calendar year during the term of this Agreement.

(b) Failure to comply with any requirement contained in subsection a of this Section shall constitute a material breach by Appraiser of the terms of this Agreement. If, within thirty (30) days after Appraiser receives written notice of such a breach, Appraiser fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Appraiser fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law.

(c) Any Subcontract entered into by Appraiser shall require the subcontractor to comply, as to the subcontractor's Eligible Employees, with each of the terms of this Section.

(d) Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

39. Submitting False Claims; Monetary Penalties

Pursuant to San Francisco Administrative Code Section 21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for three (3) times the amount of damages which the City sustains because of the false claim. A contractor, subcontractor or consultant who submits a false claim shall also be liable to the City for the costs, including attorneys' fees, of a civil action brought to recover any of those penalties or damages, and may be liable to the City for a civil penalty of up to Ten Thousand Dollars ($10,000) for each false claim. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

40. General Provisions

(a) This Agreement may be amended or modified only by a writing signed by City and Appraiser. (b) No waiver by any party of any of the provisions of this Agreement shall be effective unless in writing and signed by an officer of other authorized representative, and only to the extent expressly provided in such written waiver. (c) All approvals and determinations of City requested, required or permitted hereunder may be made in the sole and absolute discretion of the Director of Property, the Director's designated agent or other authorized City official. (d) This instrument (including the exhibits hereto) contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. (e) The section and other headings of this Agreement are for convenience of reference only and shall be disregarded in the interpretation of this Agreement. (f) Time is of the essence. (g) This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. (h) This Agreement shall be governed by California law and City's Charter. (i) If either party commences an action against the other or a dispute arises under this Agreement, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of City shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience.

IN WITNESS WHEREOF, City and Appraiser have executed this Agreement as of the date first above written.

APPRAISER:

CARNEGHI-BLUM & PARTNERS, INC.
a California Corporation

I have read and understood Section 28, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco to do business with corporations that abide by the MacBride Principles.

By: _____, MAI
Its: President

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
AMY L. BROWN
Director of Property

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney

EXHIBIT A

DESCRIPTION OF PROPERTY

Currently Occupied Buildings			
Building No.	**Description**	**Address**	**Sq. Ft.**
Building 496	Harbor Master's Office	1 Clipper Cove	100
Photo Shack	Building	Causeway	100
Building 34	Commissary	725 California Ave	1,000
Building 265	Library	TBD	8,392
Building 180	Building 180	200 California Ave	77,481
Building 180	Building 180	200 California Ave	6,586
Building 183	Trailer	60 Clipper Cove	640
Building 298	Yacht Club	TBD	1,188
Building 62	Warehouse	998 Avenue N	5,000
Building 2	Building 2	300 California Ave	138,661
Building 497	Ship Shape	850 Avenue I	5,760
Building 502	Childcare	850 Avenue D	10,123
Building 402	Gymnasium	749 - 9th St	30,565
Building 229	Club House	651 - 8th St	20,723

Currently Vacant Buildings		
Building 1	Administration Building	149,799
Building 140	Nimitz Conference Center	24,169
Building 146	Gate House	675
Building 227	Fog Watch	13,200
Building 670	Brig	25,110
Building 671	Brig Carpentry Shop	1,200
Building 62	Building 62	35,611
Building 201	Navy Exchange	88,354
Building 3	Building 3	144,767
Building 258	Post Office	50,672
Building 330	Navy Exchange Gas Station	4,030
Building 216	RV Storage	58,140
Building 69	Shed	2,468
Building 292	Avenue I – Warehouse	5,000
Building 271	Events Venue	7,000

EXHIBIT A (continued)

Vacant Land	
Fields	**Sq. Ft.**
Field – F – 9th – 11th H	87,120
Field – I – M – 11th – 13th	130,680
Field – H – I – 11th – 13th	87,120
Field – E – H – 11th – 13th	130,680

EXHIBIT B

FORM OF APPRAISAL REPORT

1. Introduction
   - A. Title Page
   - B. Table of Contents
   - C. Letter of Transmittal

2. Summary
   - A. Purpose of Appraisal
   - B. Definition of Value
   - C. Property Rights to be Appraised
   - D. Summary of Important Facts and Conclusions

3. Factual Data
   - A. Area, City and Neighborhood Data
   - B.. Property Data
     - * Description of Site
     - * Description of Improvements
     - * History
     - * Assessed Value
     - * Utilities
     - * Zoning
     - * Amenities

4. Analysis and Conclusions
   - A. Analysis of Highest and Best Use
   - B. Valuation Approaches
   - C. Interpretation and Correlation of Value Estimates
   - D. Statement of Limiting Conditions and Assumptions
   - E. Certificate of Appraiser
   - F. Qualifications of Appraiser

5. Attachments
   - A. Details of Supporting Data
   - B. Photographs
   - C. Maps
   - D. Other Pertinent Documentation

EXHIBIT C

APPRAISAL CERTIFICATIONS

The appraiser hereby certifies to the City and County of San Francisco that:

1. I have personally inspected the subject property, and all statements and information in this report are true and correct to the best of my knowledge, subject only to the contingencies and limitations set forth herein.

2. I have no present or contemplated future interest in the property described herein. Neither the employment to make the appraisal, nor the compensation for it, is contingent upon the value of the property.

3. This Appraisal Report has been made in conformity with and is subject to the requirements of the Uniform Standards of Professional Appraisal Practice and the Code of Professional Ethics of the American Society of Appraisers.

4. All conclusions and opinions concerning the real property that are set forth in the Appraisal Report were prepared by the undersigned. No change of any item in the Appraisal Report shall be made by anyone other than the appraiser, and the appraiser shall have no responsibility for any such unauthorized change.

5. All contingent and limiting conditions affecting the analyses, opinions and conclusions contained in this report are expressly contained herein.

6. After weighing the factors reported herein to the best of my knowledge and ability, it's my opinion that, on _____, the estimated fair market rental rates for the individual subject properties are as follows _____.

_____

Respectfully submitted,

_____

Name: _____

CERTIFICATION OF CONSULTANT

I HEREBY CERTIFY that I am the owner and duly authorized representative of the firm of _____ whose address is _____ _____ and that neither I nor the above firm I here represent has:

(a) employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above consultant) to solicit or secure this agreement;

(b) agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out the agreement; or

(c) paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above consultant) and fee, contribution, donation, or consideration of any kind for, or in connection with, procuring or carrying out the agreement;

except as here expressly stated (if any):

_____ (Date)

_____ (Signature)

EXHIBIT D

APPRAISAL INSTRUCTIONS

Appraiser shall complete a summary narrative appraisal report to determine the fair market rental rates of various properties located on Treasure Island more particularly shown in Exhibit A. The Appraiser shall assign specific values to each individual property. The terms and conditions under which the parcels may be rented are based on the Sublease Agreement attached as Exhibit E.

Appraiser shall contact Marc McDonald of the Treasure Island Development Authority at (415) 274-0382 to arrange for the inspection of all properties.

AGENDA ITEM 13
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 14, 2007

Subject:

Informational Presentation on Yerba Buena Island Tunnel Banner Policy (Discussion Item)

Contact Mirian Saez
Director of Island Operations
415-274-0660

BACKGROUND

This item provides the Treasure Island Development Authority Board information on the policies and procedures for rental of the banner space above the Yerba Buena Island (YBI) Tunnel. A copy of the Draft Yerba Buena Island Tunnel Banner Policies and Guidelines are attached as Exhibit A. The language for the banner guidelines were developed by Project Staff at the instruction of the Director of Island Operations. Project Staff carefully reviewed the banner policies of Port of San Francisco, the Department of Public Works and received feedback from the City Attorney's Office. Since 2002, Treasure Island Development Authority, at the request of the Navy's Caretaker Site Office, has administered the rental of the area above the YBI Tunnel for banner announcements. The space above the YBI Tunnel is in a desirable geographical location for promotional announcements and messages because of the high visibility to all motorists commuting to San Francisco westbound via the Bay Bridge. According to the Metropolitan Transportation Commission, approximately 135,000 vehicles cross the Bay Bridge on an average day each way. The banners hang from a fence with a frame of 14 feet high and 70 feet wide. A photo of the area is attached as Exhibit B

Project Staff determines the rental schedule of the banner space through an application process on a first-come,-first-served basis. The Application is attached as Exhibit C. The required banner size is 70 feet by 10 feet, with a minimum lettering size of 24 inches. The Application also incorporates insurance requirements that each applicant must fulfill. The current monthly fee for rental of the banner space is $7,500. In addition, applicants are charged an extra $2, 500.00 fee if the banner identifies corporate sponsors and have commercial logos. on The Director of Island Operations has asked Project Staff to work with a bill board appraisal expert in the coming year to determine the true value of the space. The current banner specifications are based on the Navy's original forms. To date, the announcements on the banners have been limited to traffic related messages from regional transportation agencies such as BART and 511, public safety and service announcements. City sponsored events, and essential construction schedule closure notices from CALTRANS

regarding the Bay Bridge. Under the current Draft Banner Policy, banners that publicize Island messages and events receive priority. The banners are produced by the applicants at no cost to the Treasure Island Development Authority.

The collection of the rental fee for the banner space is a great source of revenue for the Treasure Island Development Authority. The revenue generated from the rental of the banner space in 2006 was $60,000. The projected revenue for 2007 is over $90,000, as the space is already reserved every month this year. A Tentative 2007 Banner Schedule is attached as Exhibit D

The administration of rental of the banner space has never been compiled into a standard operating procedure. Under the guidance of the Director of Island Operations, Project Staff is in the process of drafting standard policies and procedures for the banner area. Project Staff has also requested that the banner space be added to the Navy's Master Lease so that the use of the space can be properly formalized.

EXHIBITS:

Exhibit A: Banner Policies

Exhibit B: Banner area photo

Exhibit C: Banner Application

Exhibit D: 2007 Banner schedule

Prepared by Frishtah Afifi, Project Administrator
For Mirian Saez, Director of Island Operations

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CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
410 AVENUE OF THE PALMS,
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SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

GAVIN NEWSOM, MAYOR

MIRIAN SAEZ
DIRECTOR OF THE ISLAND OPERATIONS

DRAFT YERBA BUENA ISLAND TUNNEL BANNER POLICY AND GUIDELINES

I. GENERAL BANNER USE

A. Administrative Statement

The purpose of the Yerba Buena Island Tunnel Policy is to administer the design, maintenance, and fees for the placement of banners on the space above the Yerba Buena Island Tunnel. The policy is necessary to ensure efficiency and transparency in transaction.

B. Purpose of Banners

Banners are intended to improve community partnership by promoting regional transportation messages, public service and safety announcements and civic and cultural events sponsored by the Treasure Island Development Authority and the City of San Francisco.

C. Permitted Banners

1. Banners publicizing Treasure/Yerba Buena Island messages and events. These banners receive first preference.
2. Essential Bay Bridge construction and closure notices.
3. Banners announcing regional traffic and transportation related messages.
4. Banners promoting civic and cultural City sponsored events.

D. Unpermitted

1. Banners used for political purposes.
2. Banners that advertise commercial products or services.

3. Banners with personal messages.

E. **Banners with Commercial Logos and/or Corporate Sponsors**

1. Commercial logos and/or corporate sponsorship shall occupy no more than 15 percent of the overall size of the banner.

2. Banners are restricted to logo or company name and shall not include any advertisement or slogans.

F. **Terms and Banner Placement**

1. The term for banners is 30 days. The Director of the Island Operations may consider placement of the banners for more or less than 30 days if the applicant requests the change in the duration of the term.

2. Banners will be installed and removed by the San Francisco Department of the Public Works.

3. The final approval for banner placement rests with the Director of Island Operations.

G. **Reuse of Previous Banners**

Previously used and undamaged banners may be permitted to be re-installed.

H. **Banner Design Criteria**

1. **Dimensions**: The dimensions of the banners shall be 70 feet horizontally and 10 feet vertically.

2. **Texture**: Banners are required to be produced in nylon texture with eyelet holes in each corner no more than 35 inches in size.

3. **Banner Content:** Banner content should graphically convey the message of the event or purpose in a simple manner using bold colors with a minimum lettering size of 24 inches to avoid being a traffic deterrent If sponsorship of the banners is included in the artwork, it shall be limited to 15% of the total banner area and shall not be the visually dominant feature of the design.

I. **Banner Production and Maintenance**

1. **Production:** The banner is produced by the applicant at no cost to the Treasure Island Development Authority

2. **Maintenance.** The banner will be maintained and inspected on weekly basis by the San Francisco Department of Public Works.

3. **Damages.** Any damages caused by the installation or removal of the approved banner shall be repaired at the sole expense of the banner applicant.

4. **Delivery.** The banners must be delivered to San Francisco Department of Public Works no later than one week prior to installation.

II. INSURANCE

1. Certificates of Insurance must name the City and County of San Francisco, the Treasure Island Development Authority, their officers, agents, and employees, as additionally insured by endorsement.

2. The Treasure Island Development Authority requires that all permittees throughout the term of the banner placement provide general liability insurance.

3. An Endorsement Form is required.

III. BANNER APPLICATION APPROVAL

A. **Banner Application Requirements.** An application for a banner placement must be submitted to the Treasure Island Development Authority no earlier than 120 days and no later than 30 days prior to the installation date. The application shall include the following information.

1. Name of the person or organization requesting the placement, including a contact person, phone number, mailing and e-mail addresses.

2. Banner wording, event description, and purpose.

3. Proposed dates for installation and removal of the banner.

4. A Certificate of Insurance and the appropriate Endorsement Form.

5. Banner application, insurance documentation and fee payments are due 30 days prior to the date of installment.

B. **Banner Application Fees**

1. **Fee.** A $7500.00 Fee is due to Treasure Island Development Authority 30 days prior to the date of banner installment.

2. **Corporate Sponsor Fee**: Applicants that identify corporate sponsors and place commercial logos on banners will be charged a one time $2,500 fee.

3. **Cancellation Fee.** The application cancellation fee is $750.00

4. **Additional Fee.** If the banner is removed prior to the 30 day term, an additional $750.00 will be charged to the applicant.

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GAVIN NEWSOM, MAYOR

MIRIAN SAEZ
DIRECTOR OF THE ISLAND OPERATIONS

APPLICATION TO PLACE A BANNER ABOVE THE YERBA BUENA ISLAND TUNNEL

Applicant Information

Request Date _____

Name of Applicant _____

Organization _____

Phone Number _____

Address _____

Dates for Banner to be Displayed _____

Exact wording proposed _____

_____

_____

- The original signed Application and insurance documentation along with the fee payment are due to the Treasure Island Development Authority 30 days prior to banner installation.
- A monthly $7,500.00 fee will apply per banner. Applicants identifying corporate sponsors with commercial logos on their banner will be charged an extra $2,500.00
- The banner is to be delivered by the applicant one week prior to installation date. The Department of Public Works will install and remove the banner.
- The term for banners is 30 days.
- Banners shall be 70 feet horizontally and 10 feet vertically. The minimum lettering size is 24 inches high, and banners are required to be produced in nylon with eyelet holes in each corner no more than 35 inches.
- Political, commercial and personal messages on banners will not be approved.
- Banners publicizing Treasure/Yerba Buena Island messages and events will receive first priority.

RECYCLED PAPER

IN SIGNING THIS FORM, THE REQUESTER HEREBY AGREES TO COMPLY WITH ALL OF THE FOLLOWING REQUIREMENTS. IF THE REVOCABLE PERMISSION TO PLACE A BANNER ABOVE THE YERBA BUENA TUNNEL IS GRANTED, AS EVIDENCED BY THE TREASURE ISLAND DEVELOPMENT AUTHORITY'S EXECUTION OF THIS REQUEST, SUCH REVOCABLE PERMISSION SHALL BE SUBJECT TO THE FOLLOWING CONDITIONS:

1. The permission granted hereunder is merely a revocable license. The Treasure Island Development Authority ("TIDA") may revoke the permission at will for any reason whatsoever including, but not limited to, the need to replace Requestor's banner with an emergency public service or safety announcement. Upon the revocation, TIDA shall cause the Department of Public Works to remove the banner.

2. The permission shall not be assignable except with the prior written consent of TIDA.

3. In consideration of the permission being granted, Requestor, on its behalf and that of any permitted successor or assign, promises and agrees to perform all the terms of this permission and to comply with all applicable laws, ordinances and regulations.

4. Requestor agrees on its behalf and that of any successor or assign to hold harmless, defend, and indemnify TIDA and the City and County of San Francisco, including, without limitation, each of its commissions, departments, officers, agents and employees (hereinafter collectively referred to as the "Indemnified Parties") from and against any and all losses, liabilities, expenses, claims, demands, injuries, damages, fines, penalties, costs or judgments including without limitation, attorneys' fees and costs (collectively "claims") of any kind allegedly arising directly or indirectly from (i) any act by, omission by, or negligence of, Requestor or its contractors, or the officers, agents, or employees of either, in connection with this permission, or while in or about the property subject to this permission for any reason connected in any way whatsoever with the activities authorized under this permission, (ii) any accident or injury to Requestor or any contractor, or any officer, agent, or employee of either of them, for any reason connected with the activities authorized under this permission, or arising from liens or claims for services rendered or labor or materials furnished in or for the activities authorized under this permission, (iii) injuries or damages to real or personal property, goodwill, and persons in, upon or in any way allegedly connected with this permission from any cause or claims arising at any time, and (iv) any release or discharge, or threatened release or discharge, of any hazardous material caused or allowed by Requestor in, under, on or about the property subject to this permission or into the environment. As used herein, "hazardous material" means any substance, waste or material which, because of its quantity, concentration of physical or chemical characteristics is deemed by any federal, state, or local governmental authority to pose a present or potential hazard to human health or safety to the environment.

5. Requestor must hold harmless, indemnify and defend the Indemnified Parties regardless of the alleged negligence of an Indemnified Party or any other party, except only for claims resulting directly from the sole negligence or willful misconduct of an Indemnified Party. Requestor specifically acknowledges and agrees that it has an immediate and independent obligation to defend the Indemnified Parties from any claim which actually or potentially falls within this indemnity provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Requestor by an Indemnified Party and continues at all times thereafter. Requestor agrees that the indemnification obligations assumed under this permission shall survive expiration of the permission.

6. Requestor shall obtain and maintain through the terms of this permission general liability insurance with not less than $1,000,000 of coverage to protect TIDA and the City against claims for damages for personal injury, accidental death and property damage allegedly arising from any activities under this permission. Such insurance shall in no way limit Requestor's indemnity hereunder. Certificates of insurance, in form and with insurers satisfactory to TIDA and the City, evidencing the coverage above and naming TIDA and the City as additional insureds, shall be furnished to TIDA and the City before commencing any activities under this permission, with complete copies of policies furnished promptly upon TIDA or City request.

Requestor:

By:_____

Name: _____

Its:_____

Treasure Island Development Authority

By: _____
Mirian Saez
Director of Island Operations

APPROVED AS TO FORM:

DENNIS J. HERRERA,
CITY ATTORNEY

By: _____
Deputy City Attorney

RECYCLED

80000 SERIES
10% P.C.W.

TENTATIVE
2007 YBI TUNNEL BANNER SCHEDULE

MONTH	BANNER LANGUAGE	COMPANY
JANUARY	Woodsmoke Spare the Air Message	O'Rorke, Inc. for Bay Area Air Quality Management District
FEBRUARY	Consider the Alternative Ride BART	BAY AREA RAPID TRANSIT (BART)
MARCH	Recycle Food Scraps Reduce Landfill Waste	Stopwaste.org
APRIL	511-Ride Share	Swirl Ad agency for MTC
MAY	311 Project	311 Project
JUNE	DPW Sponsored Event	San Francisco Department of Public Works
JULY1-15	DPW Sponsored Event	San Francisco Department of Public Works
JULY16-31	311 Project	311 Project
AUGUST	JSCO Housing Rental Banner for TI/YBI	John Stewart Company Treasure Island Villages
SEPTEMBER	BART	BAY AREA RAPID TRANSIT (BART)
OCTOBER	MTC-511 Traffic Message	Swirl Ad agency for MTC
NOVEMBER	MTC-511 Traffic Message	Swirl Ad agency for MTC
DECEMBER	Consider the Alternative Ride BART	BAY AREA RAPID TRANSIT (BART)

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GAVIN NEWSOM, MAYOR

Draft Minutes of Meeting
Treasure Island Development Authority
February 14, 2007

City Hall, Room 400
1 Carlton B. Goodlett Place
San Francisco, CA

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1. **Call to Order**: 1:44 PM

Roll Call Present: Claudine Cheng (Chair)
Jesse Blout
Jared Blumenfeld
John Elberling
Matthew Franklin
Marcia Rosen
Owen Stephens

Excused: Supervisor Chris Daly

2. Report by Director of Island Operations

Ms. Mirian Saez, Director of Island Operations, presented the Director's Report. Discussed progress on emergency planning, preparations for the FY2007-2008 TIDA Budget, and ongoing negotiations with the Public Utilities Commission regarding TIDA's outstanding money due the PUC. Discussed the settlement agreement with the former TIDA Executive Director. The remediation at Site 12 performed by the Navy will commence in the next month. The Navy has opined that the windsurfing access point is too close to the lay down area for remediation to allow the access point to remain open to the public during remediation. Discussed recent meetings with the San Francisco Police Department, District Attorney's Office, MUNI and the Treasure Island items heard at the Board of Supervisors recently. Discussed prospective new tenants and sublease opportunities. Discussed pipeline of potential interest in buildings and pending renewals of current tenants. Meetings were also held with Treasure Island Community Development for the purpose of cooperative work on a Treasure Island logo. Discussed events and happenings on the Island, including TIHDI's Black History Month art exhibit in the Building 1 gallery, the FOX Sports Bay Area baseball luncheon, the TIDA sponsored E-Waste Drive for Island residents and businesses, and the annual Make-a-Wish event held in Building 1. Stated

that the Authority's "Pageant of the Pacific" murals painted by Miguel Covarrubias will open for display in Puebla, Mexico on February 22, 2007.

Director Blumenfeld requested more information be provided about the Air Quality monitoring system. Also encouraged staff to assist finding space for Occidental Power.

3. Report by the Mayor's Office of Base Reuse and Development

Mr. Michael Cohen, Office of Base Reuse and Development, discussed his recent trip to Washington D.C. for meetings regarding Treasure Island with the offices of Speaker Pelosi and Senators Boxer and Feinstein as well as the staff of several new chairs of House and Senate committees. Discussed recent meeting with the Navy.

4. Communications

There was no discussion of communications.

5. Report by the Treasure Island/Yerba Buena Island Citizen Advisory Board

There was no CAB report given at this meeting.

6. Ongoing Business by Directors

There was no on-going business discussed.

7. General Public Comment

Ms. Sherry Williams, Treasure Island Homeless Development Initiative, spoke about the TIHDI annual event, occurring April 19th, 2007 honoring Michael Cohen as the event's Good Neighbor awardee.

Mr. Jim McGrath, San Francisco Boardsailors Association, spoke in support of the Navy reconsidering the impact of the Site 12 remediation as it applies to Bay access.

Ms. Eve Bach, ARC Ecology, spoke in support of reconsideration of on-street parking meters as part of the redevelopment in light of recent reports about parking meter revenue Citywide.

Mr. Robert Dean, Treasure Island Sailing Center, introduced himself as the new Director of the Sailing Center and spoke in support of the Sailing Center's programs and events.

Director Blout requested staff continue working with the windsurfers post-remediation.

Director Rosen requested staff forward the package of comments referenced in ARC Ecology's communication to the Board.

8. Consent Agenda

Director Elberling requested items 8j, 8k and 8l be pulled for discussion.

There was no public comment on the remaining items.

Director Rosen motioned for approval of Consent Agenda items 8a through 8i.
Director Blout seconded the motion for approval.
The Consent Agenda items 8a through 8i were approved unanimously.

8(j) Supporting State Legislation SB163 Migden
Mr. Michael Cohen, Office of Base Reuse and Development, discussed the legislation. Authorizes CalTrans to accept the Yerba Buena Island on and off ramps from the Bay Bridge into the State Highway system upon transfer from the Navy.

There was no public comment on this item.

Director Elberling motioned for approval of Consent Agenda items 8j.
Director Franklin seconded the motion for approval.
Consent Agenda item 8j was approved unanimously.

8(k) Supporting Treasure Island Public Trust Exchange SB 1873 Burton- 2004
Mr. Michael Cohen discussed the legislation. Calls for the map associated with trust exchange legislation to be amended based on the updated development plan. It is expected to be heard in this legislative cycle, and staff has been working with State Lands Commission on this updating and they are supportive. There are no other terms that are changed.

There was no public comment on this item.

Director Elberling motioned for approval of Consent Agenda items 8j.
Director Franklin seconded the motion for approval.
Consent Agenda item 8j was approved unanimously.

8(l) Supporting Legislation Establishing a Treasure Island Transportation Management Agency

Mr. Michael Cohen discussed the legislation. Proposes transportation management agency become part of the development plan. Board of Supervisors approval of the Term Sheet called for further legislation regarding this proposed agency. Staff is pursuing this broad initial legislation allowing for TIDA to create a transportation management district subject to approval of the Board of Supervisors.

Director Blumenfeld stated he has questions about taking an action supporting legislation for something that is at a conceptual level only at this point.

Director Rosen asked if this was enabling legislation in that it allows for the local legislative body to be enabled by the state to adopt legislation in an area that is a matter of state law.
Mr. Cohen stated that is correct.

Director Elberling stated that for something so consequential the proposed legislative language should be provided to the Board.

Mr. Cohen stated that he would be happy to continue the item and come back to the Board with the language.

Director Elberling motioned to continue this item to the March meeting
Director Rosen seconded the motion to continue.
The item was unanimously continued to the March meeting.

9. Approval of the Revised Rental Policy and Rate Schedule for Special Events Venues

Ms. Lori Mazzola, Special Events Coordinator, presented an updated Special Events Rental Policy and Rate Schedule. The policy was presented to the Board as a discussion item at its February meeting. Discussed the components of the new policy and revisions since the last discussion. Discussed the increase in the rate schedule, with rates adjusted to bring the venues to competitive market rate. Discussed the policy change regarding at-cost rates, waiver requests and rates for on-Island organizations.

Director Blumenfeld motioned for an amendment to the policy which will read:

> "The TIDA Board is committed to managing the Island as sustainably as possible. All special events will be conducted according to sustainable practices, with details to be provided in the Use Permit application."

City Attorney Eileen Malley suggested amending the resolution to reflect this request through a further "Resolved" clause.

Director Rosen seconded the motion to amend.
The motion to amend was approved unanimously.

Public Comment
Ms. Ruth Gravanis spoke in support of Director Blumenfeld's proposed amendment to the resolution and the policy.

Director Rosen motioned for approval of the item as amended.
Director Blumenfeld seconded the motion.
The amended item was approved unanimously.

10. Expenditure of Funds for the Redesign of the Authority Website

Mr. Peter Summerville, Authority staff, presented a request for expenditure of funds for the purpose of redesigning the Authority website. Discussed the process staff has taken to date with the City's Creative Services. Creative Services staff has created a proposed general design template for the entirety of the site and worked with staff on a site map governing the navigation within the website. TIDA staff will present Creative Services with the text and pictures and additional content that will be found on the live site. Creative Services will additionally be providing website hosting and data storage on an on-going basis for maintenance of the website. Creative Services estimates the cost for redesign to be approximately $9,000.

Mr. Scott Tyler, Creative Services, discussed their process working with Departments and their work on the Treasure Island website. Programming is estimated to take 90 to 120 days.

Ms. Saez stated that unspent monies will be unencumbered from the City Attorney line item to pay for this expense.

11. Expenditure of Funds for Removal of Abandoned Vessels from Clipper Cove
Mr. Peter Summerville, Authority staff, presented a request for expenditure of funds for the purpose of removing abandoned vessels from Clipper Cove. Two vessels have been abandoned in the Cove for several months. They have been identified as posing navigational and environmental hazards to the Cove and recreational boaters in the Cove. Staff is requesting approval for expenditure of funds to remove these vessels through a marine salvage company. The registered owners of these derelict and abandoned vessels have been notified properly.

Director Blumenfeld stated he is in favor of being aggressive in working with the City Attorney to go after the owners of the vessels for reimbursement of funds for removal of these derelict vessels.

Director Rosen requested an amendment to the resolution stating Authority intent to work with the City Attorney to recover costs from the owners of the abandoned vessels.
Director Blumenfeld seconded the motion.
The motion to amend was approved unanimously.

There was no public comment on this item.

Director Rosen motioned for approval of the amended item.
Director Blumenfeld seconded the motion.
The amended item was approved unanimously.

12. Expenditure of Funds for Appraisal Services through the Department of Real Estate
Mr. Marc McDonald, Facilities Manager, presented a request for expenditure of funds for appraisal services obtained through the Department of Real Estate. Carnegie-Blum has been secured to advise staff on the creation of rental rates for commercial properties on Treasure Island. They will also analyze the potential buildings uses as well as rental comparables throughout the Bay Area. The report is expected back by the middle of next month.

Director Franklin motioned for approval of the item.
Director Cheng seconded the motion.
The item was approved unanimously.

13. Presentation on Yerba Buena Island Tunnel Banner Policy
Ms. Frishta Afifi, Project Manager, presented a draft policy for administrating the banner space above the Yerba Buena Island tunnel. This policy is intended to provide transparency and efficiency with regards to the policy for renting the banner space. Discussed the application process, insurance requirements, limitations on content on the banner, labor and administrative concerns associated with the banner space, and current fees for the space. Staff will be analyzing

the space over the next year in order to determine maximum value. Policies will be standardized for rental of the banner. Previously in this meeting the Board approved a license with the Navy for this space above the tunnel.

Director Cheng asked if other City departments that want to use the banner space have to pay the rental fee.
Ms. Saez stated that they do.

Director Blumenfeld asked if there was a way to expand the size of the space height-wise in order to maximize revenue potential.
Ms. Afifi stated staff would work with the Department of Public Works to see if this was feasible.

Public Comment
Mr. John Goodwin, Metropolitan Transportation Commission and Bay Area Toll Authority, spoke in support for the draft banner policy and the banner space's importance as an essential public service.

14. Discussion of Future Agenda Items
Director Stephens requested an item at the March meeting addressing the current on and off ramps to the Bay Bridge and what CalTrans can do to address motorist safety entering and exiting the Islands in regards to these ramps.

15. Director Rosen motioned for adjournment.
The meeting adjourned at 3:30 PM.

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